the Freeman

Ideas on Liberty

SEPTEMBER 1969

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W. H. PITT

VALUE

The soul of economics

The processes of the market are those of a free-running, frictionless machine; and the insertion of "anti-economic" frictions into the mechanism – what is this but the most disastrous vandalism?

IT SEEMS to me that there are two stages in the formation of "value" and that it starts with a subjective, personal, evaluation, by individuals, of the usefulness of an article for the satisfying of their desires. Some of us, having a particular desire for an article, make our subjective evaluation of it in deliberate fashion; others, lacking the particularity of that desire, or perhaps not requiring the article quite so urgently, make only subconscious measurement of its usefulness, that is, of its utility.

The second stage occurs when those with immediate purpose for the article cast around for the means of acquiring it. A few will manufacture it for themselves, even though this, in terms of time and effort, is probably the most expensive process. Others, economizing a little, will combine their efforts in a cooperative production. But most of us, on desiring something, but not being in such desperate need of it as to warrant our manufacturing it for ourselves, will get it "in the market," doing so by exchanging for it some other article or service for which our regard, as vendor, is not at that moment so high. While those manufacturing the item for themselves may seem to have but little effect upon "the market," their outlays in time and effort are nevertheless seen and noted by

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everyone, and form the ultimate base for the price structure. In the market, you see no concern for the reasons, whatever they be, that activate individuals to expend their effort; the concern is for the amount of our effort, were we manufacturing the article for ourselves.

In deciding upon an exchange in the market, we commence from our knowledge of the cost in time and effort were we to make the article for ourselves, either individually or cooperatively. But being rational, intelligent humans, we seek always to satisfy our desires with the least expenditure, whether this be measured in time, effort, money, or in other commodities or services. Therefore, we seek out those who, with an abundance of the article, or having a facility greater than our own for its production or, having a desire greater than our own for the commodity or service which we can provide in exchange, will offer the article we desire at a price that will give us a saving in our exertion.

When there are several who will thus offer us the article, the desire to minimize our exertion induces us to seek the best offer, thereby testing the market to its limit and attaining the greatest possible saving. The market is thus a mechanism for the economizing or conserving of human energy – the most excellent mechanism of all, not only in that it permits the immediate conservation of energy, but also in that, by acting as a register and indicator, it steers the whole community toward a constantly increasing conservation of energy. It thus promotes the maximizing of results and the minimizing of effort.

The Objective Expression

In order properly to appreciate the functioning of the market, there has to be recognition of the fact that everyone who "goes to the market" and participates in the exchange of goods and services, does so in order to save himself effort. Any proposed transaction must offer a benefit to both vendor and purchaser, otherwise it will not take place. This is so even when an article or service is offered at a price well below "true value." In every case the offerer is satisfied that in making the deal he is receiving a benefit and is achieving something that he otherwise could not. He may regret that he takes his decision at a time when the article or service with which he is parting will bring him less in return than it might at some other time: but at the moment of decision he sees it to be advantageous that he should sell. The advantage is that failure

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then to make the decision could involve him subsequently in a greater exertion. The market, thus, is a place where goods and services are evaluated, subjectively, by individuals, the evaluation then being made evident, objectively through price, to others. Price, one might say, is the indicator, the objective expression of and the evidence of value: and value roots in, and is at every stage concerned with, the saving or economizing of effort.

Money, the Ultimate Refinement

That this view of value is correct receives support from the everyday meaning that attaches to the word "economics." Where this word occurs on its own, it is, in general, used in its deepest and widest meaning and, concerned for the prosperity of the community as a whole, deals with the fruitfulness of our over-all activity and therefore with our over-all economy of effort. But when specific fields of activity are in mind, an appropriate definitive is used: we talk, for example, of "the economics of the sugar industry" and conclude that prospects for the industry here in Australia will be good if, or even because, the political or climatic conditions in other sugar areas are disastrous and throughout the world there will be deleterious effect upon both other sugar producers and all sugar consumers.

In either the particular case or the general, it is the maximizing of results through the economizing of effort that is our concern. It is our instinct for economizing effort that has led to the use of one or another particular commodity as a unit for the measurement of values. Through the subsequent use of tokens for these commodities, what we now call "money" has developed and it is its potency in the economizing of time and effort that makes money the ultimate refinement in the mechanism of the market and the greatest of all our servants.

"Price" cannot be the same thing as "value." It is the measure of value and the objective indicator for the monetarily acceptable figure, dictated by all our varying individual evaluations, at or around which transactions customarily occur. It is a characteristic of "price" that it allows of a benefit for both the vendor and the purchaser, being above the evaluation of the vendor and below that of the purchaser, each of whom, necessarily, approaches the market in search of different satisfactions. Like all mechanisms, the market, with its function for the economizing of time and effort, is servant alike to the good, the compassionate, and the perceptive

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as well as to the evil, the inconsiderate, and the oblivious. We interfere with it at our peril, for the interference is interference with the economizing of time and effort, the penalty thus being automatic, widespreading, and assured. This is the lesson of the ages as well as of our immediate logic.

In an inquiry into economics we must commence with the question as to just what it is that we are economizing. Clearly, the answer is that our inquiry concerns the process whereby human beings economize in their time and effort, that is, in their exertion; for the economizing of time and effort is the mainspring of rational intelligent human activity. With this in mind, we can accurately determine what value is and how it is to be measured, what price is and how it is expressed, what the market is and how it operates, what the true rights of property are and how these rights are not only violated by long-established legal wrongs but also threatened by further legalistic damaging of the automatic processes of the market. These processes are those of a free-running, frictionless machine; and the insertion of "anti-economic" frictions into the mechanism – what is this but the most disastrous vandalism?

The Essential Simplicity

It seems to me that correct theorizing in the realms of economics is an essential prerequisite to the preservation and growth of freedom in its beautiful entirety or in any of its sparkling facets. Until there is a widespread understanding of the essential simplicity of each section of the market mechanism, there cannot help but be unending attempts at interference with the market. These interferences can, of course, never be such as wholly to destroy the market (and freedom) but they can never fail to harm it. Understanding of the processes of the market can come only with appreciation of two facts, the one that the science of economics has as its concern the economizing of our time and effort, and the other that value, which the most percipient perhaps of my friends calls "the soul of economics," can have reference not to cost in terms of labor or effort, not to either of utility or gain, not, although the relationship gets closer, even to scarcity, but only to the saving or economizing of effort.

Summarizing, then: articles of trade are evaluated, subjectively, according to the amount of exertion which their possession will save for the possessor: and their price, manifested objectively in

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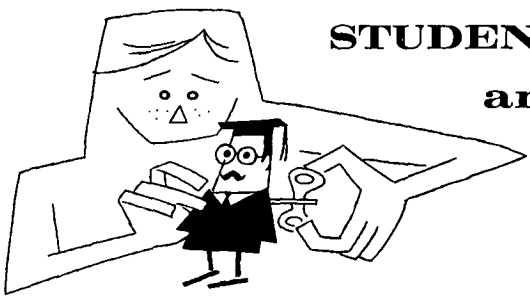
the market, must always be above their desirability as evaluated by the vendor and below their desirability as evaluated by the purchaser. Exactly the same processes of subjective evaluation and objective pricing occur with services. In the case of services the outcome of exertion is intangible and is promptly dissipated, whereas in the case of articles of trade (commodities) the effect of exertion is applied to material substances and is there for a time stored up in tangible form. In each case, both vendor and purchaser, both practitioner and client, first consider the effect of past exertion and then aim to conserve future exertion. In the estimation of future conserved effort lies the core and center of *value*. ◈



STUDENT POWER and all that

BENJAMIN A. ROGGE

THE QUESTION is this: To whom does Wabash or any college or university belong? To the current students? to the alumni? to the faculty? to the administration? to the Board of Trustees? to "society"? to some mixture of these agencies?

The answer to this question is of some importance. Perhaps, though, it should be made even more specific: Where does sovereignty lie in a given college or university? Who's in charge around here?

Rogge-type answers:

(1) A college exists, in theory, in whole or in part, to serve its students. In the same way, Steck's Men's Store exists, in part, to serve the students of Wabash College. But Steck's Men's Store does not belong to its customers and Wabash College does not belong to its students (past or present). "Student power," in the sense of a claim by students of a right to

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make decisions that relate to their college or university, is thus of no substance or standing.

This is not to say that a college or university administration is always acting wisely if it ignores the wishes and the recommendations of its students. It means only that, when the chips are down, the students can rightly be told to get the hell out of the administration building and to stop interfering with the conduct of college business.

(2) The faculty members of a college are employees of the college and, by definition, a college does not belong to its employees. Again, this is not to say that a college administration is necessarily unwise if it delegates authority over (say) the curriculum to its faculty. But again, when the chips are down, the college can rightly say to any faculty member for any reason whatsoever, "Go away!" A human being has a right to believe in and espouse communism or laissez faire capitalism or any other piece of nonsense but he has no right to be paid by someone else for doing so, against the will of that someone. So-called academic freedom is in reality a denial of freedom – the freedom of those to whom a school belongs to put the resources under their control to the uses they believe appropriate. Again, a school is surely unwise if it refuses to permit a wide range of views to be presented to its students but it is not denying anyone his natural-born right if it takes this unwise position.

Administration Delegated Control

(3) The members of a college administration are also employees of the college – hence they cannot be the ones to whom the college belongs. In practice, they are the ones to whom control is usually delegated by the "owners" and they are the visible source of authority on the campus. Unfortunately, many college administrations in this country seem to have abdicated (not delegated) their authority to some combination of students and faculty members (or athletic departments). The result is a kind of tragicomic anarchy – although for short periods of time on some campuses it can be very exciting (even intellectually exciting) for everyone involved. A college should be actually run by the administration – not the faculty. As Sidney Hook has put it, "Give the intellectual everything he wants – but power."

(4) Does it follow that it is to the Board of Trustees that a college or university really belongs? In the case of a private college the answer would seem to be yes. It is this Board that has legal control

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of the assets that the college has acquired. It is this Board that, in theory, is responsible for seeing that the assets are used for the purposes for which they were and are made available to the college.

In the case of the public college, the answer is somewhat more complex. Here the Board must ultimately answer to those who largely pay the piper – the taxpayers of the jurisdiction involved. When the taxpayer in California screams, "We've got to get those Lefties and Hippies out of Berkeley," he may not be evidencing much knowledge of educational processes – but he is exercising a right that is essentially his. After all, it's largely his money.

Claims of Society Invalid

(5) But what of the claims of society? Do not the institutions of higher learning in any society really exist to serve the interests of that society? In a word, No. In the first place, the word "society" is filled with ambiguities and difficulties. As a matter of fact, those who use the word in these cases usually mean by "the interests of society" the interests of society as seen by their own minority group, whether it be the National Association of Manufacturers, the National Education Association, or Americans for Democratic Action. But more than that: the best example of a university system serving the interests of its society would be the German universities under Hitler or the Russian universities of the last 50 years.

Neither society nor the students nor the alumni nor the faculty is or should be in charge at Wabash College. The administration is and should be in charge, acting under the authority delegated to it by the Board of Trustees, and serving the purposes of the college as defined in its charter and interpreted by that Board over the years. And if you think things probably aren't this simple and clear-cut in practice, you're right. ◈

IDEAS ON LIBERTY *Malcolm Muggeridge*

A FUTURE SOCIAL HISTORIAN is likely to decide that the most powerful instrument of all in bringing about the erosion of our civilization was none other than the public education system set up with such high hopes and at so great expense precisely to sustain it.

From an article, "On Rediscovering Jesus," *Esquire*, June, 1969

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Freedom IS Responsibility

BERTEL M. SPARKS

IN HIS INAUGURAL address on January 20, 1969, President Richard M. Nixon declared, "The essence of freedom is that each of us shares in the shaping of his own destiny." The fact that the statement received so little comment from the press and other news media is an indication of how insensitive the media have become to their own terminology. Apparently it was felt that there was nothing unusual about the statement made. But if the words are measured against the positions taken by the media with a high degree of consistency for at least the past thirty-six years, they are revolutionary.

The revolutionary character of President Nixon's statement is best illustrated by contrasting it with a definition of freedom enunciated in another inaugural address delivered by another president twenty-eight years earlier. On that occasion some citizens were thrilled and others were frightened as they heard their president divide freedom into four categories. Within a short time and with the enthusiastic cooperation of the press and the academic community, the "Four Freedoms" achieved a status almost on a par with Holy Writ. They are still eulogized from the lecture platforms of the public schools and are still looked upon by many as at least "quasi sacred." But regardless of how solemn we become as we recite the catechism of freedom of speech, freedom of religion, freedom from want, and freedom from fear, it is hard to avoid such questions as whether or not these goals represent a foun-

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dation upon which a nation can build and whether or not they are aims worthy of a free people.

Kept by a Master

It might be well for those who have been taught that satisfaction of the four freedoms is enough to usher in the millennium to ask themselves whether or not there is a fattening hog in the country that doesn't already enjoy every one of them. No one interferes with the hog's grunting or his worship if he is inclined to either worship or grunt. He is provided with a comfortable place in which to live and with plenty of food to satisfy his needs. He is well protected from danger and has no occasion to defend himself against the wild animals of a hostile forest. Is that enough for man? Is it enough to satisfy the longing of the human spirit? Is it a sound basis for building that human dignity that separates man from the lower animal kingdom?

Our new president asserted, "The essence of freedom is that each of us shares in the shaping of his own destiny." That is something the fattening hog cannot do. And it is something a human being might not be able to do even if all the four freedoms so passionately idealized by our earlier president are fully provided for. If sharing in the shaping of your own destiny means anything, it means having a freedom of your own person. It means a freedom to move peacefully from place to place. It means a freedom to enjoy the fruits of your own body and that means a freedom to enjoy the product of your own labor. It means freedom to enjoy, use, and dispose of the things for which you have worked and which you have accumulated by the sweat of your brow. These are all things the fattening hog does not have even though the four freedoms of an earlier day are supplied in abundance. But the truly significant thing is that the fattening hog could not have the four freedoms he does enjoy unless he also had a master, that is to say, unless he had an owner who was providing them. Neither can any government provide its citizens with those four freedoms unless that government is also a master with power to seize the material necessities from somewhere else. And from where and from whom is government to make such a seizure? The answer should be clear.

But the two statements thus separated by a span of twenty-eight years are brought into even sharper contrast when it is noted that the statement of the "Four Freedoms" says nothing about responsibility while the statement

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from our current president is concerned entirely with responsibility. To say that one is free to shape his own destiny is to assume that one is responsible for his own destiny. And therein lies a distinction that cannot be explained away as just a difference in semantics.

Inseparable Qualities

Too much of what has been written about freedom and responsibility has been written on the assumption that the two are separate although closely related entities and that if one has freedom he should somehow be a responsible citizen of the society where that freedom is enjoyed. To state the proposition in such terms is to misrepresent the essence of a free society. Freedom and responsibility are not separate entities; *freedom is responsibility*. One can be free to share in the shaping of his own destiny only to the extent to which he is responsible for his own destiny. And he cannot be free to shape his own destiny except to the extent to which he abstains from interfering with the destiny of another.

Recognizing this identity of freedom with responsibility means getting down to the bedrock of what it is to be free. And to be really free has little relevance to the romantic freedom some have imagined as existing in primitive man. It is probably true that primitive man roamed the forest gathering his own figs and capturing his own game wherever and whenever he chose. But under these circumstances freedom was quite circumscribed. Primitive man was not free because after he had gathered his figs or captured his game he had no assurance that he would get to eat them before they were snatched from him by an intruder. This uncertainty made it imprudent for him to gather more than could be consumed on the spot. He was not free until he had organized himself into a state upon which he conferred power to prevent theft, robbery, murder, and similar acts.

It should be noted that even this limited organization called for a surrender of what man might previously have viewed as part of his freedom. In order for the system to work the state had to be given the exclusive power to use force. What had been each individual's right *and responsibility* to provide for his own self-defense became an organized self-defense. And therein lies the essence of the true state. The state is organized self-defense and any time it becomes anything more than that it becomes a threat to freedom and a threat to man's dignity as a man. But so long as it is confined

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within its proper boundaries it serves the uplifting purpose of setting the individual man free to gather more food than can be presently consumed and it gives him the assurance that the surplus will be protected for subsequent use or for trade. With that freedom primitive man began to contemplate and to make tools, thereby increasing his material efficiency and expanding his productive capacity. He was on his way up!

How Power Grows

But the state did such a good job of keeping the peace and the advantages of this organized self-defense became so obvious that other temptations began to present themselves. Each time man was faced with an emergency in his personal life he was tempted to surrender additional responsibilities to the state. Each time he did so he soon learned that with each surrender of a responsibility he also surrendered a freedom. To that extent he found himself turning away from his march upward as a man and toward the level of the fattening hog. He was turning away from responsibility for his own choices and his own destiny. He was responding to the invitation to enjoy the four freedoms and abandon his dignity as a human being. Upon discovering his predicament man has usually recoiled and has sought to regain that which has been lost. But once a thing has been surrendered to the state, the only agency clothed with power to use force, it can rarely ever be recovered without a struggle, and the struggle is usually a violent one. Unfortunately, as soon as the battle is won and the weight of its responsibility is felt, the temptation to retreat is again presented.

Probably the most dramatic as well as the most widely known illustration of this fight for freedom followed by displeasure with its consequences occurred when a mass of foreigners were being held as slaves in Egypt. They had been reduced to the fattening-hog stage of serving their masters and somehow they were not enjoying it. Along came a leader named Moses who led a rebellion. The rebellion was a success and within a short time the now ex-slaves were out on their own. They were no longer the property of their masters. They were free. But as free men they had no master who could be relied upon to supply their material wants. They became distressed and threatened a rebellion against their new leader. They began to say they had rather be slaves of the Egyptians than to be faced with the necessity of planning for themselves. They

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were distressed to learn that freedom to shape their own destiny meant nothing more and nothing less than responsibility for their own destiny.

Early American Experiences—Plymouth and Jamestown

The experience of the Egyptian slaves has been repeated with depressing and monotonous regularity throughout human history. Men offer their lives to become free only to become frightened as soon as the prize is obtained. It would not be profitable to pile up a multiplicity of illustrations here but the experience of the early European settlers who arrived in America cannot be ignored. These settlers came to America to escape oppression of one kind or another in the old country. They arrived on rocky, inhospitable shores where there were no houses, no factories, no drug stores, and not even any neon signs to brighten the horizon. It was an underdeveloped country.

The first group in Virginia in 1607 and the first group at Plymouth in 1620 were in a similar predicament and they both went through the same process. When supplies became scarce they decided to build a common storehouse, put all the food there, and let some bureaucrat dole it out as needed. The result is a familiar story, though present-day social planners would like to forget it. The food shortage became more acute. Starvation increased. Few houses were built. There was much illness. When supplies reached the desperation point, both colonies, without any collaboration on the subject, took similar steps. They both abandoned their economic planning business and told each man that he would have to shift for himself, that he would have to shape his own destiny. Prosperity was on its way immediately.

The Plymouth and Jamestown experiences have been repeated over and over in both governments and individual lives. Cynics continue to say, "Yes, but the situation has changed." They seem to assume that the fact of change repudiates every lesson the human race has learned thus far. Of course the situation has changed and, so long as even the rudimentary elements of a free society are preserved, the situation will continue to change. The more relevant question is, how has it changed? If a planned economy wouldn't work in either Jamestown or Plymouth for a group so small that every person present was known by name to every other person, that should be all the more reason why it can't work for 200 million people in an industralized society.

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Positive vs. Negative Aspects of Freedom

The philosophy expressed by the president inaugurated in 1969 might be distinguished from that of the president of twenty-eight years earlier by saying it is just a difference in prepositions. President Nixon said the essence of freedom is that each of us shares in the shaping of his own destiny. Expressed in a slightly different way, that would mean each one is free *to* participate in shaping his own destiny. Each one is free *to* work for himself, *to* venture into the unknown and the unexplored, and *to* risk everything on his own personal judgment. But the definition offered twenty-eight years earlier was peppered with negative prepositions. It was freedom *from* fear and freedom *from* want. Can it be truthfully said that the current crop of "beatniks," "hippies," and similar characters is anything other than a generation that has grown up taking the four freedoms seriously? They are crying for freedom *from* all responsibility, freedom *from* all restraint. Either their cry must be heard or the philosophy on which it is based must be repudiated.

In a free society men must be free *to* embark upon their own ventures, free *to* start new enterprises and search *for* better ways of doing things. Each one must be free *to* seek his own goals, not just accept what his government either forces or permits. Wherever that kind of positive freedom has been permitted to flourish the economic well-being of all people, especially those at the lower end of the scale, has always moved steadily upward; and wherever positive freedom has been curtailed, the reverse has been true. That is the kind of freedom that enabled this tract of land known as the United States to emerge from a wilderness to the wealthiest nation on earth within a very few years. And let no one assert that the wealth of the United States is more the result of her natural resources than it is of her love of freedom. Any such assertion would display a total ignorance of both history and geography and would leave unanswered the question why a similar development has not been observed in South America, Africa, or India.

Two specific incidents, one from early America and one from modern America, will suffice to illustrate the operation of positive freedom in the economic realm. The settlers at Jamestown soon discovered that the gold they thought was there was not to be found and that the corn they thought would be the great new agricultural crop actually produced very little in proportion to

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the work required to grow it. They turned to tobacco but had difficulty selling it to Europeans. Under these conditions a young man named John Rolfe went to work on the problem. He began with tobacco, the one plant that seemed to grow unusually well in Virginia. The taxpayers didn't provide him with any experiment station nor did he receive any foundation grant. But he went to work on his own responsibility without any assurance that anything would ever come of his efforts. Within a short time he developed a tobacco plant of a lighter color and a finer texture which was found more palatable to Europeans. Within a short time they were buying all the tobacco the settlers of Virginia could produce and were demanding more. Hundreds and even thousands were soon employed in a new industry and some were getting rich. A battle in the continuing war on poverty had been won. And such battles will continue to be won as long as men are left free to fight them. And no battle will even be undertaken when man's freedom to shape his own destiny, that is, responsibility for his own destiny, is withheld.

Anyone who thinks experiences comparable to that of John Rolfe are necessarily confined to a bygone age and therefore unworkable in the more complex economy of the present might consider the story of a man who will be called Joe. (The name is fictitious but the rest of the story is authentic.) According to reports in the public press, Joe, his wife, and his four children moved into a $15-a-month, two-room shack in 1952. With $600 as his total assets he began experimenting in uranium mining. By 1957 Joe and his wife were living in a large mansion where they were throwing parties with guest lists running upwards of 5,000 names per party. Then by 1969 Joe was on the verge of bankruptcy. But Joe vows he will pay out and that he will again be throwing million-dollar parties. Whether or not he actually achieves his present goal is still uncertain. But whether he succeeds or fails his experience illustrates the story of freedom everywhere in every age. If risks are taken some must fail. If no risk is taken all must remain in poverty. And whatever the outcome in Joe's present struggle to regain a vanishing fortune, Joe will have experienced the romance and tragedy of being a free man, of making his own choice as to the enterprise he will pursue and the manner in which he will pursue it, and of living by the choices made. No government can give a citizen more. ◈

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Concepts of Equality

EDMUND A. OPITZ

THE GREAT political battles of the modern world have been fought around certain key words, one of which is Equality. The watchwords of the French Revolution, you recall, were "Liberty, Equality, Fraternity." Talleyrand got fed up with this slogan and once remarked that he'd heard so much talk about fraternity that if he had a brother he'd call him cousin!

There's a sound reason for Talleyrand's adverse reaction to the idea of brotherhood. The human capacity for affection is limited and it is selective. The demand for unlimited brotherliness puts human nature under a strain; it generates a backlash in the form of the either/or mood of the revolutionary who puts a gun to your head and says: "Be my brother, or I'll kill you!" Sane social living forbids murder; it strives after justice; and it reserves brotherliness and love for family and friends.

Real friendship, even within a limited circle, is a genuine achievement. Recall the words of La Bruyere, writing in the middle of the seventeenth century: "Some ask why mankind in general do not compose one nation, and are not contented to speak one language, to live under the same laws and agree among themselves to have the same customs and the same worship; whilst I, seeing how contrary are their minds, their tastes and their sentiments, wonder to see even seven or eight persons living within the same walls under the same roof and making a single family."

We don't have the word Fra-

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ternity in our political heritage, but the idea of Equality occupies a prominent spot. Our Declaration of Independence reads: "We hold these truths to be self-evident, that all men are created equal." Note well that the men who prepared this document did not say that "all men *are* equal"; they did not say that all men are "*born* equal" – both propositions being obviously untrue. They said "*created* equal."

Now, the created part of a man is his soul or mind. Man's body is compounded of the same chemical and physical elements which go into the make-up of the earth and its creatures, but there is a mental and spiritual essence in man which sets him apart from nature – his soul or psyche. It is an article of faith in our religious tradition that the soul of each person is precious in God's sight whatever the individual's outer circumstances; and equality before the law is implicit in this premise – the idea of one law alike for all men because all men are one in their essential humanness.

But right here the likeness ends; human beings are different and unequal in every other way. They are alike in one respect only; they are equal before the law. Equality before the law is the same thing as political liberty viewed from a different perspective; it is also justice – a regime under which no man and no order of men is granted a political license issued by the state to use other men as their tools or have any other legal advantage over them. Given such a framework in a society, the economic order will automatically be free market, or capitalism. We are speaking now of the idea of equality in a political context. Later I shall deal with the opposing concept of economic equality, which is incompatible with limited government and the free market.

Equal Justice Before the Law

Political equality is the system of liberty, and its leading features are set forth in Jefferson's First Inaugural Address: "Equal and exact justice to all men, of whatever state or persuasion, religious or political; peace, commerce, and honest friendship with all nations – entangling alliances with none . . . . freedom of religion; freedom of the press; freedom of person under the protection of the habeas corpus;" and so on.

The idea of political equality – equal justice before the law – is a relatively new one. It did not exist in the ancient world. Aristotle opened his famous work entitled *Politics* with an attempted justification of slavery, concluding his argument with these words: "It is

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clear, then, that some men are by nature free, and others slaves, and that for these latter slavery is both expedient and right."

Plato wished to see society constructed like a pyramid. A few men at the top wielding unlimited power; then descending levels of power – the men on each level being bossed by those above and bossing, in turn, those below. On the bottom are the slaves, who outnumber all the rest of society. Plato knows that those in the lower ranks will be discontented with their subservient position, so he proposes to condition them with a "noble lie," as he calls it. "While all of you in the city are brothers, we will say in our tale, yet God in fashioning those of you who are fitted to hold rule mingled gold in their generation, . . . but in the helpers silver, and iron and brass in the farmers and other craftsmen." Fraudulent theories of this sort are invented by men who suspect gold in their own make-up!

Hinduism provides a contemporary example of a system of privilege. The highest caste in Indian society is the Brahmin caste; the lowest caste is the Sudra. In between are the Kshatriya and Vaisya castes – warriors and merchants, respectively; outside the caste system altogether are the Untouchables. Men are born into a given caste, and that is where they stay; that's where their ancestors were, and that's where their descendants will be. There is no ladder leading from one level in this society to any of the others. Hinduism justifies these divisions between men by the doctrine of reincarnation, arguing that some are suffering now for misdemeanors committed during a previous existence, while others are being rewarded now for earlier virtue. This outlook breeds fatalism and social stagnation. The eminent Hindu philosopher and statesman, S. Radhakrishnan, defends the caste system. He likens society to a lamp and says, "When the wick is aglow at the tip the whole lamp is said to be burning."

Our Western Heritage

Politics rests upon certain assumptions in metaphysics, and *we* make different metaphysical assumptions than do the Greeks and Hindus. In other words, we have a different religious heritage. Our religious values come from the Bible. Christianity was introduced into the ancient world, and it has had important political consequences. We take personal liberty for granted and regard slavery as artificial because of nineteen centuries of emphasis on the worth of the individual soul. The soul of

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man was a battleground on which were thrashed out the issues of good and evil. The individual was held responsible for the proper ordering of his soul; that is, he had the gift of free will. His salvation was neither automatic nor guaranteed; it hinged on a series of voluntary decisions, choices freely made.

It takes a while, centuries sometimes, for a new idea about man to seep into the habits, laws, and institutions of a people and shape their culture. It was not until the eighteenth century that Adam Smith came along and spelled out a system of economics premised on the freely choosing man. Smith referred to his system as "the liberal plan of equality, liberty, and justice." The European society of Smith's day was, by contrast, a system of privilege; it was an aristocratic order.

Control by Conquest

England's aristocratic order did not arise by accident, but through conquest; it may be traced back to the Battle of Hastings in 1066 and the Norman invasion. William of Normandy had a claim, of sorts, to the English throne, a claim which he validated by conquering the island. Having established his overlordship of England he parceled out pieces of the island to his followers as payment for their services. In the words of historian Arthur Bryant, "William the Conqueror kept a fifth of the land for himself and gave one-quarter to the Church. The remainder, save for an insignificant fraction, was given to 170 Norman and French followers — nearly half to ten men."[1]

This redistribution of England's territory was, of course, at the expense of the Anglo-Saxon residents who were displaced to make room for the new owners. The new owners of England from William on down were the rulers of England; ownership was the complement of their rulership, and the wealth they accumulated sprang from their power and their feudal holdings. That is to say, they did not obtain wealth by satisfying consumer demand. Under the system of liberty where the economic arrangements are free market or capitalistic, the only way to make money is to please the customers. Under any alternative system, you make money by pleasing the politicians, those who hold power. Either that, or you wield power yourself.

This was a fine system — from the Norman viewpoint; but the Anglo-Saxon reduced to serfdom viewed the matter quite differently. It was obvious to the serf

[1] *Story of England*, Arthur Bryant, Vol. I, p. 164.

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and the peasant that the reason why they had so little land was because the Normans had so much; and, because wealth flowed from holdings of land, the Anglo-Saxons reasoned correctly that they were poor because the Normans were rich! It is always so under a system of privilege, where those who wield the political power use that power to enrich themselves at the expense of other people. It makes little difference whether the outward trappings are monarchical, or democratic, or bear the earmarks of Orwell's *1984;* in a system of privilege, political power is a means of obtaining economic advantage.

Keeping the Peace

When our forebears wrote that "all men are created equal," they threw down a challenge to the system of privilege. They believed that government should keep the peace – as peacekeeping is spelled out in the old-fashioned Whig-Classical Liberal tradition. This preserves a free field and no favor – which is the meaning of laissez-faire – within which peaceful economic competition will occur. The term "laissez faire" never meant the absence of rules; it didn't imply a free-for-all. The term comes originally out of chivalry and was used on the jousting field to signal the beginning of a match. Two armored knights got ready to ride at each other and the cry of "laissez faire" meant, in effect, "You boys know the rules; may the best man win." Government, under laissez faire, does not intervene positively to manage the affairs of men; it merely acts to deter and redress injury – as injury is spelled out in the laws. This is the system of liberty championed by present-day libertarians and conservatives.

Adam Smith's "liberal plan of equality, liberty, and justice" was never practiced fully in any nation, but what was the result of a partial application of the ideas of *The Wealth of Nations*? The results of abolishing political privilege in Europe and starting to organize a no-privilege society with political liberty and a market economy were so beneficial that even the enemies of liberty pause to pay tribute.

R. H. Tawney, one of the most gifted of the English Fabians, was an ardent socialist and egalitarian. His most famous work is *Religion and the Rise of Capitalism,* but in 1931 he wrote a book entitled *Equality,* arguing, in effect, that no one should have two cars so long as any man was unable to afford even one. He wished to take from those who have and give to those who have not, in order to achieve economic equality.

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But he acknowledged that there was an earlier idea of equality – equal treatment under the law. Here is what Tawney writes about the beneficial results of the movement toward political liberty and the free economy in the early decades of the nineteenth century, the movement known as Classical Liberalism:

> Few principles have so splendid a record of humanitarian achievement. . . . Slavery and serfdom had survived the exhortations of the Christian Church, the reforms of enlightened despots, and the protests of humanitarian philosophers from Seneca to Voltaire. Before the new spirit, and the practical exigencies of which it was the expression, they disappeared, except from dark backwaters, in three generations. . . . It turned (the peasant) from a beast of burden into a human being. It determined that, when science should be invoked to increase the output of the soil, its cultivator, not an absentee owner, should reap the fruits. The principle which released him he described as equality, the destruction of privilege.[2]

All these good things were a result of the effort which began two centuries ago to put the system of liberty – equal rights before the law – into practice. But, of course, when men are free politically, there will be economic inequalities. There will continue to be rich and poor, as there have been wealth differentials in every society since history began, but now there's this difference: the wealthy will be chosen by the daily balloting of their peers in the market place; and the wealthy won't necessarily be the powerful, nor will the poor necessarily be the weak.

Variation Among Men

Variation is a fact of life; individuals differ from one another. Some are tall and some are short; some are swift and some are slow; some are bright and others are not so bright. The talents of some lie along musical lines, others are athletes, a few are mathematical wizards. Some people in every age are highly endowed with a knack for making money, and in every age some people have more worldly goods than others. Rich and poor are relative terms, but every society reveals a population distribution ranging from opulence to indigence. This occurs under monarchies and in primitive tribes which measure a man's wealth by cattle and wives; it occurs in communist states where, as Milovan Djilas pointed out in a famous book, a "new class" emerges out of the classless society, and the "new class" enjoys privileges denied the masses.

Under the system of liberty, the

[2] *Equality*, R. H. Tawney, pp. 120-121.

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free market will reward men in differing degrees so that some men will make a great deal of money while others have to get by on a very modest income. But under the system of liberty even those in the lower income brackets enjoy a relatively high standard of living; and, furthermore, the practice of the Rule of Law guarantees that there'll be no persecution for deviant intellectual and religious beliefs. The government does not try to manage the economy or control the lives of the citizens; it keeps out of people's way, unless injury is committed.

Differentials in wealth characterize every possible kind of society. This is a fact of life; this is the way things are. This variation in human beings is beyond the power of the human will to alter; nor if we understood the issue would we will it otherwise even if that were within our power. Economic equality is not an intelligible concept.

Serving Consumers

But while economic equality is a chimera, political equality is not. We can *will* political equality, and our forebears in the Classical Liberal tradition *did* will political equality with the happy results already noted. Under conditions of political equality, which is the system of liberty, a man's income depends upon his success at pleasing consumers – at which game some people are much more successful than others.

A certain American entertainer made eight million dollars last year for gyrating and howling in public places. He didn't get any of my money, and except for the fact that I believe in liberty, I would have paid a substantial sum to keep him permanently tranquilized! On a somewhat higher level, there are talented people who are sensitive to consumer demand, and so they produce the kind of goods or render the kind of services that people will be able and willing to buy. In the free market, goods and services exchange only for goods and services. Everybody is a producer and comes into the market as a buyer with the purchasing power he has obtained from the prior sale of his own services. In short, the route to economic success is to please the customer.

Under every other system the route to economic success is to please the politicians in power or to gain power yourself. This is the system of privilege, enthroned in most nations today and under some form of which most people in the past have lived. The Liberal Era, mainly the nineteenth century, constitutes the only breakaway; our own country's

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past affords the best example of the great multiplication of wealth which results from the release of individual human creativity under the system of liberty.

The Nature of Political Power

I've used the term "power" several times, so let's note that the word "power" in this context refers to government. There's only one genuine power structure in a given society, and that is the government. Government possesses a unique, one-of-a-kind type of power, and unless the government deputizes or licenses some other person or agency no one in a given society may exercise the kind of power which government alone wields. We employ metaphors when we speak of buying power or economic power. Government is *the* power structure. Only government can mobilize the police, the armies, the navies; only government can draft a young man to serve in Vietnam; only government can tax, and so on. The largest corporation in the land cannot force me to buy one of its products or work for it; I can ignore General Motors, but no one who chooses to live within these fifty states can ignore the real power structure – which is the political agency, government.

Under a monarchy, economic advancement is obtained by pleasing the king or the queen. Royal favorites lived well while enjoying the friendship of the ruler, but when they fell out of favor they sometimes lost their heads. The mass of people lived in what we would think of as poverty, and typically they lacked the guarantees of intellectual, religious, and civil liberties that we take for granted. Moreover, the entire nation from top to bottom lived quietly with the idea of economic stagnation; no one thought in terms of a progressive increase of the stock of goods so that everyone would move gradually up the economic ladder – they thought in terms merely of redistributing the existing stock of wealth. No one thought of increasing the size of the pie; the idea was to obtain a bigger slice for one's self – either by seizing it in a direct power grab, or as largesse by being a friend of the powerful. A similar sentiment – anti-economic in nature – prevails today.

The big domestic political issue is poverty. The nation has been geared to welfare measures ever since the New Deal, a generation ago; then in 1964 Congress opened the Office of Economic Opportunity and declared war on poverty. Indigence may be measured in various ways, but whatever else it is, indigence is a lack. A person who is poor would be better off if

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he owned a larger and finer house, had several extra suits and sport jackets in his closet, enjoyed tastier and more nourishing food plus an occasional drink. After improving the situation at the level of necessities he'd move ahead to the amenities – to recreation, a second car, air conditioning, and so on.

Poverty Overcome by Production

The point to note is that people move out of poverty only as they command more of the things which are manufactured, grown, or otherwise produced. Poverty is overcome by production, and in no other way. If you are seriously concerned with the alleviation of poverty your concern for increased production must be equally serious. This is simple logic.

But look around us in this great land today and try to find someone for whom increased productivity is a major goal. There are some able production men in industry, but most established businesses have learned to live comfortably with restrictive legislation, government contracts, the foreign aid program and our international commitments. The competitive instinct burns low, and the entrepreneur who is willing to submit to the uncertainties of the market is a rare bird. And then there are the farmers. Agricultural production has taken a great leap forward in recent years, but no thanks to those farmers who latch onto the government's farm program and accept payment for keeping land and equipment idle. Union leaders claim to work for the betterment of the membership, but no one has ever accused unions of a burning desire to be more productive on the job. Politicians are not interested in increased industrial production. As a matter of fact, it might be said that the national government is continually – by its interventions – manufacturing poverty, and the whole country lives at a level lower than natural economic necessity would dictate.

An overall increase in the output of goods and services is the only way to upgrade the general welfare, but there is no clamor on behalf of increased productivity – only an occasional murmur. The clamor is for redistribution, for political interventions which exact tribute from the haves and bestow largesse on the have nots. Present day politics is based on the redistributionist principle: taxes for all, subsidies for the few. Its alleged purpose is to elevate the low income groups by depressing the wealthy. President Johnson, addressing Congress in January 1964, phrased it thus: "We are going to try to take all of the

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money that we think is unnecessarily being spent and take it from the 'haves' and give it to the 'have nots' that need it so much."

Several years earlier a theologian of considerable reputation, Nels Ferre, expressed similar sentiments, but gave them a religious flavor: "All property is God's for the common good. It belongs therefore, first of all to God and then equally to society and the individual. When the individual has what the society needs and can profitably use, it is not his, but belongs to society, by divine right."[3]

The Role of the Market

The rage for redistribution is upon us, and we might multiply statements similar to the ones I have quoted from Mr. Johnson and Dr. Ferre. Those who espouse this viewpoint hold the utterly mistaken notion that the distribution of rewards in a free market society, or capitalism, is analogous to the parceling out of loot to members of a robber gang, or the division of spoils after a pirate expedition. Actually, these things are as unlike as night and day; there is no comparison between them. In the free economy, a man is rewarded to the degree that he pleases consumers.

Now, the market is not a magic instrumentality which comes up automatically with the right answer for every sort of question. The market is a sort of popularity contest; it tells us what people like; it's an index of their preferences. The market provides a very valuable piece of information, but it's not the whole story. It's important for a shoe manufacturer to project an accurate guess as to whether women next season will prefer chunkies to wedgies; but a similar fingering of the popular pulse is out of keeping in the intellectual and moral realms — unless one is a liberal intellectual! I refer to the proclivity of the current crop of opinion molders to ask: "What's going to be the fashion in ideas *this* season?" One glaring example of this—a former professor of mine was a leading clerical spokesman for involving the United States in World War II; now he's a co-chairman of SANE. This man has a good market in the intellectual realm, but of course he opposes the market in the economic realm.

The market is the only device available for serving our creatural needs while conserving scarce resources; but the market is no gauge of the truth or falsity of an idea. The market measures the popularity of an idea, but not its truth. Mises and Hayek are better economists than Samuelson and

[3] *Christianity and Society*, p. 226.

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Galbraith but the market for the services of the latter pair is enormously greater than the popular demand for Mises and Hayek. Likewise in aesthetic questions. An entertainer's popularity is no index of his musicianship, and a best selling novel may fall far short of the category of literature.

The market is simply a mirror of popular preferences and public taste; but if we don't like what the mirror reveals, we won't improve the situation by throwing rocks at the mirror! There is much more to life than pleasing the customer, but if the integrity of the market is not respected consumer choice is impaired and some people are given a license to foist their values on others. Permit this kind of poison to infect economic relationships and our ability to resist it elsewhere is seriously weakened.

We throw rocks at the mirror whenever we undertake programs of social leveling, aimed at economic equality. The government promises to aid the poor by redistributing the wealth. This is a power play, and it is the poor – generally the weakest members of society – who are hurt first and most in any power struggle. Furthermore, economic inequalities cannot be overcome by coercive redistribution without establishing political inequalities. Every form of political redistributionism widens power differentials in society; officeholders have more power, citizens have less; political contests become more intense, because control and dispersal of great wealth is at stake.

Every alternative to the market economy – call it socialism or communism or fascism or whatever – concentrates power over the lives and livelihood of the many in the hands of a few. The principle of equality before the law is discarded – the Rule of Law is incompatible with any form of the planned economy – and, as in the George Orwell satire, some men become more equal than others. We head back toward the Old Regime – the system of privilege.

Every state tends to create the means of its own support – comprising citizens and pressure groups who realize their dependence on the state for such economic advantages as they enjoy. The court at Versailles was the symbol of this under the Old Regime; the symbol in our time is a deep freeze, a vicuna coat, a television set, the relief racket, a lush government contract, farm subsidies, predatory labor unions, or what have you.

Human beings are imperfect now and forever, and the societies we form exhibit all the imperfections individuals display and more

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besides. There's no way to achieve utopia; heaven on earth is an impossible dream. But human beings will do better under the system of liberty than under any other social arrangement.

In the ninteenth century, as Tawney pointed out, the abolition of privilege got rid of slavery and serfdom; it turned the peasant into a human being. Furthermore, this was a comparatively peaceful century – between the Congress of Vienna and the First World War. Real wages doubled, redoubled, and doubled again. Diseases were diminished and people lived longer; illiteracy almost disappeared, and people were freer in their daily lives than ever before.

Things were far from perfect, but they were more than tolerable – until a few people got the idea that human affairs could be perfected if the lives of all men were put under political direction and control. This would create a vast power structure on top of society; but the fear of power was overcome by the thought that power, this time, was democratic and majoritarian in nature, and thus benign. The tragic fallacy here is that power obeys the laws of its nature, no matter what the sanction. Political power is invariably coercive, and if used wrongly destroys what it is set up to secure.

Fans of Lewis Carroll will remember his poem, "The Hunting of the Snark." Every time the hunters closed in on their quarry the snark turned out to be a boojum. Every time a determined group of people have concentrated power in a central government to carry out their program, the power they have set up gets out of hand. The classic example of this is the French Revolution, which turned and devoured those who had started it.

It is not so much that power corrupts, as that power obeys its own laws. Our forebears in the old-fashioned Whig-Classical Liberal tradition were aware of this, so they sought to disperse and contain power. They chose political liberty, in full awareness that in a free society the natural differences among human beings would show up in various ways; some would be better off than others, but there would be no political *in*equality.

The alternative to the free economy is a servile state in which a ruling class enforces an equality of poverty on the masses. To embark on a program of economic leveling is like trying to repeal the law of gravity; it'll never work, and trying to make it work defeats our efforts to attain reasonable goals. ◈

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On Economic Rights

DAVID KELLEY

THE MODERN LIBERAL has tried to assume the mantle of liberty's defender as worn by the liberal of the nineteenth century. Though thirty years of his "social experiments," and volumes of theory, have shown that he does not fit the role, his self-image has hardly changed. And most persistent of all, perhaps, is his incongruous claim that he is defending man's rights.

The basis of that claim is the theory of "economic rights," which is founded in society's alleged duty to provide all its members with certain "necessities." These claims of the individual against society, however, cannot be called "rights." Consider, for example, the following assertion of an economic right:

> Everyone has the right to education. Education shall be free, at least in the elementary and fundamental stages. Elementary education shall be compulsory.[1]

Such statements are little more than obfuscation; if left unquestioned, they would destroy the meaning of "right," and attach the libertarian connotations of the word to statist programs of compulsion. Let us see why.

It has often been observed that rights are closely connected with duties, that your rights impose obligations on me and the protection of your rights requires restrictions on my freedom to act. This is true so far; the possession of rights would be meaningless if no one were obliged to observe them. But what sort of obligation is involved? In the answer to this question lies the difference between natural rights and the lib-

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[1] U.N. Declaration of Human Rights, Article 26, sec. 1.

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erals' "economic rights."[2] A man's natural rights entail only a negative obligation for other men – the obligation not to use force against him. "Economic rights," on the other hand, impose positive obligations, which in fact violate natural rights.

Natural Rights— and Responsibilities

One of the sources for the theory of natural rights is John Locke's *Second Treatise on Civil Government*. Man in the state of nature – that is, man by his own nature – possesses rights to life, liberty, and property. These are all expressions of man's freedom from other men. But what about duties; what does man owe *to* other men? Only the recognition of their rights.

> The state of nature has a law of nature to govern it, which obliges everyone; and reason, which is that law, teaches all mankind who will but consult it, that, being all equal and independent, no one ought to harm another in his life, health, liberty, or possessions.[3]

This is the negative obligation not to use force against other men; there is no positive obligation that is natural, as rights are.

Thomas Jefferson held a similar theory. The rights to "life, liberty, and the pursuit of happiness" establish man's independence from other men; they do not, however, entail any positive duties of men toward one another. "From the point of view of the community, 'rights' have a negative implication. . . . His 'natural rights' theory of government left all men naturally free from duties to their neighbors."[4]

It is not difficult to show why these rights do not imply positive duties. Natural rights are all rights to actions. The right to life is not the right to have one's life assured; it is, rather, the right to live. It is the right to take the actions one considers necessary to secure his life and happiness. The right to life does not, however, guarantee the success of any actions – only the freedom to act.

The other natural rights apply to specific areas of freedom. The right to property is the right to own, to use and control, the things one has earned, but it applies only after one has earned them. Whether or not one will earn them

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[2] In fact, there is one economic right: the natural right to acquire and dispose of property through free trade. I shall use the phrase "economic right," however, to refer to things like welfare, housing, and education, assuming for the sake of argument that they are rights.

[3] *Second Treatise*, sec. 6.

[4] Daniel J. Boorstin, *The Lost World of Thomas Jefferson* (New York: Henry Holt & Co., 1948), p. 195-6.

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is another matter – not a question of rights. Rights protect actions, but they cannot guarantee the success of those actions; they protect men from each other, but not from reality and the fact that only by certain actions can they achieve their purposes.

Human Relations and Economic Rights

One of the areas in which rights protect man's freedom of action is that of human relations. A right to action is a right to act on one's judgment, including his judgment of other men. One is thus free to choose with whom he will associate. Other people, however, also have rights and the freedom to choose, which one is obliged to respect. In any association of men, therefore, the free consent of all involved is a moral prerequisite.

A duty asserts a moral relation between two or more men. According to the libertarian argument, therefore, obligations other than to abstain from the use of force can only be incurred by some previous, freely chosen act, such as signing a contract. Any obligation not incurred in this way would be an infringement on my moral freedom to act as I choose, and thus an infringement on my natural rights.

An examination of "economic rights" will show that they do imply positive obligations which are incompatible with liberty. A man has the right, according to the U.N. Declaration, to a job (Art. 23), leisure (Art. 24), an adequate standard of living, food, clothing, shelter, and security (Art. 25), and education (Art. 26). All of these are, in one form or another, rights to things, to economic goods. The difference here between natural and "economic rights" is evident. Natural rights are rights to these things if one earns them, if one obtains them in mutually voluntary trade with others. "Economic rights," however, attach no such condition to the right; a person has a "right" to have these goods, regardless of how they are to be obtained. Thus, while natural rights guarantee men the freedom to act, though not guaranteeing the success of their actions, "economic rights" guarantee men things produced by the successful actions of others.

The value of economic goods is largely a reflection of the fact that human labor is required for their production. A "right" to an economic good, then, includes a "right" to the human labor involved, that labor which was successful in producing the good. These "rights" obviously impose positive obligations on at least some men; if someone else has a right to something that I produce,

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then I am obliged to produce it for him.

Natural rights only require that men abstain from certain kinds of action, but say nothing further about how they should act. "Economic rights," on the other hand, require positive actions from men because they specify the goals and beneficiaries for which they should act. They specify certain products which must be produced, and the methods by which these products are to be distributed. If people have a right to food, clothing, and wealth enough for leisure, these things must be produced; if everyone has a right to them, they must be distributed so that everyone has them. To require that certain things be produced is to require that men produce them, that is, that men act in certain ways, for certain goals. To require that goods be distributed in any way other than by the prior voluntary agreement of the producers is to require that some men act for other men, not as a gift, not out of benevolence, but as a legally enforceable duty.

Imposing on Others

No theory that imposes upon men unchosen duties – which are in no way incurred by their exercise of natural rights – can claim to protect political freedom. If the government tries to protect economic rights, it necessarily violates natural ones.

Is there, however, another "dimension of freedom," economic freedom? The concept of "freedom" can only be applied where the potential "oppressor" is not completely determined in his (or its) actions; that is, one can only be free from men. "Economic freedom," however, as liberals use the term, means exemption from certain economic laws. To be free from these, one would have to be free from their conditions. One condition is the nature of reality. Man has certain needs that must be satisfied by recourse to the external world. But if he acts to gain things from nature, he is subject to her laws: "Nature, to be commanded, must be obeyed." Man must discover what will satisfy his needs, how to obtain it, and then act to gain it. Nothing guarantees success at any of these steps, and poverty or disease or ignorance is the penalty imposed on the unsuccessful. No one can be free from this; one cannot legislate a change in reality. One can only substitute the work of someone else for his own, and in doing so, he is not free from the requirements of reality; he has only found a new way of meeting them.

The other condition against which "economic rights" protect is the exercise of free choice by

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other men. Thus, in a free society, if a man wants a job, the employer must be willing to hire him; if he wants to buy a product, the producer must be willing to sell it to him. To be free from this condition, one must be free from individual choice, which means: free from freedom, which is meaningless. The obligations which "economic rights" impose restrict one's moral and political freedom without in any way producing a counterbalancing increase in freedom.

Those "rights" have additional antiliberal implications. An obligation to observe the "economic rights" of other people easily becomes a duty to the state, for it is only through the state's programs that such "rights" can be observed. It is only the state, moreover, which can decide what "economic rights" there are, and who has them, for those "rights" depend on what the economy can afford, and, as a result, are constantly changing. Since "economic rights" infringe upon political freedom, to recognize them is to recognize the right of the state to decide how much freedom it is going to allow, and how much it will destroy, whether that decision is made by a dictator, or by pressure groups, or by majority vote.

The doctrine of "economic rights" thus provides an excuse for statists to destroy the constitutional system of freedom which is based on natural, inalienable rights. That doctrine is therefore a moral and intellectual fraud — the state-conferred benefits to which it refers cannot be called rights. ◈

IDEAS ON LIBERTY ***Economics in One Lesson***

THE LONG-RUN CONSEQUENCES of some economic policies may become evident in a few months. Others may not become evident for several years. Still others may not become evident for decades. But in every case those long-run consequences are contained in the policy as surely as the hen was in the egg, the flower in the seed.

From this aspect, therefore, the whole of economics can be reduced to a single lesson, and that lesson can be reduced to a single sentence. *The art of economics consists in looking not merely at the immediate but at the longer effects of any act or policy; it consists in tracing the consequences of that policy not merely for one group but for all groups.*

HENRY HAZLITT

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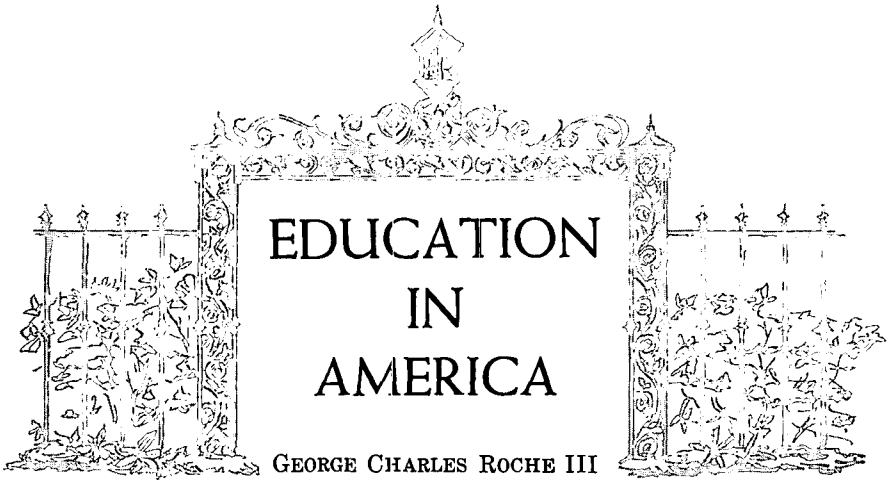

GEORGE CHARLES ROCHE III

12. *Philosophy of Growth*

IN THIS EXAMINATION of education in America, we find substantial gaps between the ideal we envision and the reality we face. Closing those gaps by constructing a comprehensive educational "system" seems unrealistic, not only because it is difficult to focus any system upon the individual, but also because society rejects any such attempt. We must remember, however, that the process of education is epitomized by ceaseless questioning, even when the answers seem difficult or distant. In the best sense of education, each of us must ask, and finally answer, his own questions. Ethical considerations, in the final analysis, are matters of individual conscience. Unless each of us is free to ask and answer the proper questions, matters of ethical import can hardly be considered, much less decided.

Furthermore, none of us can accurately gauge the mind of another. Those with least apparent promise often come forth with astounding creativity. Education must offer challenge and variety to awaken the individual conscience and draw forth unique qualities and capacities. Looking for the best in others and allowing their free development, *letting*

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people be themselves, affords each the opportunity to achieve his own potential. Such a view of education implies no "system," no "establishment," in the usual sense.

The central fact of our present educational structure is its failure to allow for individuality. Increasingly institutionalized education emphasizes the collectivity over the individual, denies the significance of religious sanction in the lives of men, insists upon relativity as the highest standard of morality. The result has been a lowering of standards and an erosion of the dignity and worth of the individual – the very antithesis of genuine education.

The Aim of Education

The task of the educator is primarily that of *liberation.* The individual needs to be freed from his limitations in order to develop his potentialities and become a better man than he would otherwise have been. This is the most radical presumption of all. If we assume that the individual can develop his unique potentialities only in freedom, implicit in that assumption is that different people have different capacities and varying rates of progress. Thus, genuine education implies discrimination and difference as distinguished from the dead level of equality.

Once this individual quality of education is understood, it becomes apparent that "social utility" is not an appropriate measure of the student's achievement. Respect for the individual requires that his education be measured in terms of his growth, his *becoming.* The object and the measure of genuine education remains the individual. Development of individual personality, not social conformity, should be education's concern. Education is the process by which the individual gains possession of his soul and becomes a human being fully responsive to his capacities.

In a practical sense, genuine education trains students to *think for themselves.* Mere indoctrination will not suffice:

> Cannot we let people be themselves, and enjoy life in their own way? You are trying to make that man another *you.* One's enough.[1]

If education is to provide the opportunity for the full development of personality and independent thought, it must also provide a frame of reference giving meaning to that independence. Reverence for truth is quite as important as development of personal uniqueness. Thoreau's remark that "in the long run men hit only

[1] *Emerson: A Modern Anthology,* ed. by Alfred Kazin and Daniel Aaron, p. 363.

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what they aim at," should serve to remind us that education must also give status and direction to man's moral existence, convincing the individual that man *is* more than merely animal and therefore possesses correspondingly higher obligations and aspirations.

We may now define in a more precise manner the aim of education. It is to guide man in the evolving dynamism through which he shapes himself as a human person – armed with knowledge, strength of judgment, and moral virtues – while at the same time conveying to him the spiritual heritage of the nation and the civilization in which he is involved, and preserving in this way the century-old achievements of generations.[2]

Who Is the Educator?

Emerson once critized the utopian quality of his own work, saying, "I found when I had finished my new lecture that it was a very good house, only the architect had unfortunately omitted the stairs." Such a demanding view of education as outlined in these pages runs the risk of being a "house without stairs." Especially in view of the present institutional structure, what educator can perform such a demanding task?

Fortunately, we need not wait for institutional reform if we wish substantially to improve the education of our young. Not all education occurs in the school. Education, like charity, begins at home. If the task of reforming a giant educational structure serving millions of children seems too large, could each of us at least assume responsibility for the proper mental and moral development of a single child? The individual need not feel impotent when he has before him a task on a scale which he *can* comprehend as an individual, especially when that task is the development of human personality, surely the single most important undertaking in the world. There is one catch: If the effort is to have the chance to succeed, the individual educator of the individual child must want to meet the challenge.

. . . people, I am certain, greatly underestimate the power of men to achieve their real choices. But the choices must be real and primary, not secondary ones. Men will often say that they want such and such a thing, and true, they do want such and such a thing, but it turns out that they want something else more. It is what they want most that they will be most active, ingenious, imaginative, and tireless in seeking. When a person decides that he really wants something, he finds he can surpass himself; he can change circumstances and attain to a goal that in his duller hours seemed unattainable. As an old teacher of mine used to say, "When

[2] Jacques Maritain, *Education at the Crossroads*, p. 10.

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you have done your utmost, something will be given to you." But first must come the honest desire.[3]

Parents

Unfortunately, many parents have been unwilling to assume primary responsibility for their offspring. It is true that the modern school has tended to assume functions for which it was ill-suited, thus becoming a poor substitute for the parent, but the primary blame must rest with the negligence of many parents.

The selfishness of more and more of our contemporary parents also manifests itself in neglect of children. Parents all too often pity themselves, run away from their plain duty, their chief job, their greatest avenue to the respect of God and of honest men. They place their own welfare, even their amusements ahead of the well-being of their sons and daughters. They may, and usually do, see that the boys and girls are clothed, fed, washed, have their teeth attended to; but to make pals of them, to live with them, to laugh and cry and work and play with them, lovingly but firmly to discipline them, this takes too much time and effort altogether. The American parent tends increasingly to pamper himself or herself. In consequence little is taught to the children by precept and less by example. Then the parents dump their progeny at the feet of the schoolmaster and schoolmistress and say, "Here, we have no time to bring these youngsters up, nor have we any stomach for the job. You take them over, as totally as possible, and do what we will not do for our own. Train them in character; that is what you get paid for."[4]

Before we can impart self-discipline to our children, we must first possess that quality ourselves. We cannot solve the problem of raising children by pretending to make the schools responsible; nor can we solve the problem of exercising authority by transferring that authority to the children themselves.

> Let us have a little severe hard work, good, clean, well-written exercises, well-pronounced words, well-set-down sums: and as far as headwork goes, no more. . . . Let us have a bit of solid, hard, tidy work. . . .
>
> And one must do this to children, not only to love them, but to make them free and proud: If a boy slouches out of a door, throw a book at him, like lightning; don't stand for the degenerate, nervous, twisting, wistful, pathetic centreless children we are cursed with: or the fat and self-satisfied, sheep-in-the-pasture children who are becoming more common: or the impudent, I'm-as-good-as-anybody smirking children who are far too numerous.[5]

[3] Richard Weaver, *Life without Prejudice*, p. 119.

[4] Bernard Iddings Bell, *Crisis in Education*, pp. 98-99.

[5] G. H. Bantock, *Freedom and Authority in Education*, pp. 175, 177.

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How many parents would face up to such a responsibility in their own home? How many would tolerate, much less encourage, a school operated on such "old-fashioned" principles? The process of character building is a demanding, day-by-day job. The job implies great expectations in the child, plus the parent's willingness to give the sustained time and effort to insist that the expectation is fulfilled.

Not only must the parent be prepared to give of himself to accomplish the task, but he must be prepared to set the proper example. Does this demand a great deal of each of us? Yes, indeed! And no amount of tax collection and PTA activity can serve as a substitute. Any area of life where we achieve success demands time, energy, patience – expenditure of *self*. Surely the building of a family and the raising of children can be no exception. It is not enough to know what is right; we must also live that knowledge. "If one's wisdom exceeds one's deeds, the wisdom will not endure." This is a highly individual task, one which cannot be successfully collectivized.

Teachers

Does such parental responsibility rule out the importance of the teacher? Indeed not. The dedicated teacher, who has mastered himself and who would spend his life in helping the young to master their lives, is engaged in one of the highest callings. Without such men and women, the school as an extension of parental responsibility would be impossible. In fact, it has been the devotion to duty of many teachers and administrators which has enabled our educational system to keep operating successfully, despite bureaucratic rigidity and parental flight from responsibility. Still, the good teacher is fighting a losing fight unless the home enforces the discipline and standards necessary to support the learning experience of the classroom. Ultimately, failures in education rest with the individual parents who are willing to accept less than the best, and unwilling to fulfill their own responsibilities. Our children finally receive an education which is an accurate reflection of the principles accepted by adult society.

Public Funding of Education

The Bundy Report on urban education, financed by the Ford Foundation, has described the current educational bureaucracy as "a system already grown rigid in its negative powers," and has warned that power and responsibility must go hand in hand. This was to have been achieved by the now famous "decentraliza-

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tion." In practical terms, the results of decentralization in New York City Public Schools have been a resounding failure. The entire nation has watched public education in Ocean Hill-Brownsville literally come to a halt. But this is not the failure of a genuine attempt at decentralization. The people have insisted that schools be publicly funded, and yet pretended that somehow this would not affect the decision-making process in neighborhood schools. Power and responsibility have not been allowed to flow together. The individual parents in Ocean Hill-Brownsville should have a say in the education of their children; they also should pay for that education. So long as they lack that responsibility, it is not surprising that they act irresponsibly.

Across this nation, those parents who would exercise responsible choice in the education of their children are penalized for their responsible behavior. Parents who would place their children in a private school more responsive to their values and attitudes are advised by the tax collector, "First support the state's educational philosophy; then, if you have any surplus resources, you may pursue *your* educational philosophy."

Education in America has become a reflection of the insistence that education be a function of government, cost free to participating students, fully financed at taxpayer expense. What originated as *local* schooling, supported by taxation in the immediate community (and therefore somewhat responsive to local and parental wishes) has inexorably moved toward bureaucratic bigness — the fate of all publicly funded projects. On the local level, the parent finds the system less and less responsive to his concerns. Meanwhile, power has tended to gravitate from the little red schoolhouse to the State House and from the State House to Washington. Control of the purse strings has brought control of education.

The remaining private educational institutions on all levels face exorbitant costs as they try to compete for scarce educational resources. How are they to attract students and faculty in view of the expensive plants, research facilities, salary scales, and subsidized tuition offered by "public" institutions? Many have succumbed to the lure of state and Federal aid, losing self-control in the process.

Proposals for Relief

There have been various proposals for relief of this bureaucratic congestion, among them the idea of "decentralization." But recent

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events should make it clear that no genuine decentralization can occur under public funding. The effect of socialized finance in any project, education included, is toward more centralized control, not less.

Another proposal is to allow the individual tax credit for income spent or given for educational purposes. This, too, might serve as a holding action, though it still fails to deal with the underlying moral issue. Why should the money of one citizen be taken by force to finance the education of other peoples' children, any more than to finance the building of other peoples' homes, the gasoline for other peoples' cars, the payment of other peoples' medical expenses? I have yet to hear a compelling *moral* argument justifying coercion for such a purpose.

So long as we are willing to allow an immoral premise to dominate our educational endeavors, we must be willing to live with ugly results. The only lasting solution is to remove education from the hands of government, restoring responsibility to the student and the parent.

The response at that point tends to be, "Why, if there were no public education, parents wouldn't send their children to school!" I have yet to meet the person who will not send *his* children to school. It is always those *other people* who would supposedly be remiss in their duty. A parallel case may be discovered in the arguments of the last century concerning organized religion. The original argument for a state-supported church was that religion would fail if people were given their choice whether or not to support organized religion. The identical argument is advanced today in regard to education, despite the fact that religion thrives after more than a century of separation of church from state. Is there any compelling reason why voluntary support of education should not be given a similar opportunity?

Ultimate Solution Lies in Freedom and Responsibility

Educational reform must begin with parents as individuals, with the recognition that better upbringing for their children lies in their hands, not in the hands of the state. If and when enough parents begin living their lives self-responsibly and apply such principles to their children who are an extension of self, a new educational day will have dawned. The answer, then, is not to "throw the rascals out," substituting good men for bad in the political control of collectivized education. Instead, let each act in his own small orbit, with his own children, with

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those whom he influences directly. If one's example and understanding are of high enough quality, the educational picture will begin to change *no matter what course politicalized education might take.*

Those who effect great revolutions are always small in number. Such people need not wait to become a majority. No one else *can* do the job except those who understand what needs to be done. The disruptive influence of political centralization in education will continue until it has been overshadowed and rendered meaningless by a moral force of sufficient intensity, a force generated by individuals who understand what is at stake and who serve notice by their own example that a better way exists to educate our young. ◈

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D. ELTON TRUEBLOOD

TOO MAD to LAUGH

THOUGH it is sometimes said that ours is an immoral or at least an amoral generation, this is manifestly untrue. It would be far closer to the truth to say that we are too moral, too judgmental, too condemning. The photographs of campus confrontations and violence normally depict those who are "angry." "Professor faces irate students" is a standard headline. Always there is some claim about injustice or unfairness, and the faces in the photographs are contorted by bitterness. If there is any pleasure, it is the pleasure of denunciation. There is no lack of dedication; what is lacking is laughter!

Since the issues in the confrontations are uniformly simple, in the eyes of the violent, instead of calm discussion, we have "demands." The mood which now receives the most publicity is strikingly similar to that of John Brown at Harpers Ferry. The ones who are featured in the headlines are not marked by a lack of concern for morals, but by that extreme concern for morals which is the essence of fanaticism. We are, in fact, plagued by an inverted Puritanism.

The lack of humor is abundantly evident in contemporary student assemblies. The speaker, in addressing a thousand students, employs an approach which has appealed to many other student generations as very funny, but only a small minority now laughs. The others keep their straight Puritanical faces. It is not that they have heard the joke before; it is simply a failure to respond to subtle approaches to the truth. Violent attack is a different matter and this brings instant response, but dull people are not made wise simply by becoming angry.

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The decline of laughter is not merely an evidence of the widely publicized "generation gap." Indeed, there is grave doubt whether the generation gap so often mentioned exists at all. Though there is always some difficulty in communication between different ages of human beings, this is not now the chief problem. What has appeared is an "idea gap." I realize how nearly independent of age this is when I encounter the enormous difficulty of communication between groups of the same age. I feel actually closer in thought to some persons of twenty than to some of my own age.

The decline of laughter appears to depend on nothing more profound than the recognition that ours is an imperfect world. Why this should be a shocking discovery, I have no idea, but it seems to be such to many in our generation. Much of the problem is really philosophical. Millions have imbibed the sentimental idea of natural human goodness and have really expected utopia right around the corner. When it does not come, they are angry in their disappointment and begin to indulge in harsh judgment of others. The emphasis, accordingly, is always on other people's sins, but never on our own. If only the establishment could be changed or replaced, then the problem would be solved! But, of course, it is not solved. In the progress of the French Revolution the establishment was displaced, all right, but what ensued was a reign of terror.

What we need in our time is a mature realism which makes us understand that the human predicament is with us to stay. We shall not eliminate sin in others and we shall not eliminate it in ourselves. We shall not achieve utopia in universities or anywhere else, though we can make some things relatively better than they are. Meanwhile we are wise to learn again to laugh, primarily at ourselves. ◈

This article by the noted Quaker author and philosopher is reprinted by permission from *Quaker Life*, published by the Friends United Meeting, Richmond, Indiana.

IDEAS ON LIBERTY ***Ralph Waldo Emerson***

WE PASS for what we are. Character teaches above our wills. Men imagine that they communicate their virtue or vice only by overt actions, and do not see that virtue or vice emit a breath every moment.

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TAX POLICY

HANS F. SENNHOLZ

AN IMPORTANT PILLAR of our republican form of government is the people's control over government spending. Representative government means budgetary control. The people, through their representatives, consent to certain taxation in order to facilitate public policies. They determine the task of the Administration and its expenditures. No penny must be spent without the consent of Congress.

Senator Monroney of Oklahoma, Chairman of the Joint Committee on Organization of Congress, briefly described this pillar as follows: "The primary function of the Congress is still the exercise of the power of the purse . . . If we use this power well, we can and will be able to control the size of government, its activities, and the number of people who find their way on or off the payroll. This is the major responsibility given to the Congress by the Constitution. We dare not fail in this assignment." But how has the Congress actually discharged this duty during the 1960's?

Since 1960 the Federal government has grown rapidly in size and expense. Administrative Budget expenditures alone have risen from $76.5 billion in 1960 to an estimated $153.9 billion in the fiscal year ending June 30, 1970. (Cf. The Budget of the United States Government for 1970, p. 524.)

But this is not the only Federal budget. The 130 Federal trust funds, among which the Old-Age and Survivors' Insurance (Social Security) and the Hospital Insur-

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ance Trust Fund (Medicare) are the largest, receive taxes and disburse funds without Congressional appropriations. Their expenditures have grown even more significantly than Administrative spending. From 1960 to 1970 they are expected to rise from $21.2 billion to $48.3 billion, or 128 per cent.

And finally, there are some 85 Federal enterprises and government-sponsored enterprises that are scheduled to spend another $31 billion. Altogether, the Federal government plans to spend $232 billion in the coming fiscal year. When compared with 1960, this constitutes an increase of nearly $120 billion.

The Burden Grows

Since 1960 the Federal government has more than doubled its taxing and spending and, at the given rate of growth, must be expected to double again in less than 10 years. The growth rate of Federal Trust Funds, which cover more than two-thirds of the total Federal expenditures on health, education, and welfare, will probably exceed all others. In the 1970 Budget, Trust Fund receipts are estimated at $50.9 billion, or 35 per cent of total administrative receipts of $147.8 billion. Nor does there appear in sight any end to the expansion of the Social Security and Medicare programs.

In terms of total personal income of $800 billion, which is the government's favorite measure of progress and prosperity, the 1970 Federal tax take of $198.6 billion amounts to approximately one-fourth. But personal income is a gross estimate that includes personal taxes of more than $105 billion. If we deduct this amount and base our calculations on disposable personal income of only $700 billion, the $198.6 billion of Federal spending amounts to 29 per cent.

But how is this possible if most people pay Federal income tax rates below 29 per cent? Many individuals, in fact, pay much higher rates. Highly productive businessmen pay various corporation taxes in excess of 50 per cent plus individual income taxes of 50 per cent or more on the remainder, which comes to 75 per cent or more of their earned incomes.

The tax burden of government that is frequently overlooked is hidden in the costs of all goods and services we consume. All goods bear taxes that account for varying shares of the purchase price. This is how every citizen, even the poorest member of society, must bear the growing burden of his government. Taxes are the largest single item in our cost of living; nothing else can compare with the cost of government. For instance, Americans spend

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less than $100 billion on food per year and more than twice this amount to finance the Federal government.

To Change the Economy

We often forget that taxation aims not only at raising the desired revenue but also at other purposes. Today, taxes are a favorite tool of government policy and control. In the past, regulation through taxation was limited, by and large, to protective tariffs which restricted the supply of goods in order to benefit certain producers. Modern regulatory objectives are much wider and more far-reaching. Some taxes aim at influencing certain consumption. Some are designed to affect certain sectors of production and trade. Others are to change business customs and conduct. Still others aim at controlling or changing our economic system. The revenue accruing to the government treasury may be a desirable but not vital objective of taxation.

Taxation may even aim at changing our economic system. All taxes that attack the substance of private property, destroy individual incentive, and prevent capital formation, are gnawing at the foundation of a free economy. Confiscatory income taxes and business taxes diminish the incentive to work. Many professional people whose services are urgently needed by society are induced to work less and retire earlier than they otherwise would. Young men may be tempted not to enter business and become founders and promoters of successful enterprises, but to seek security and prestige in government offices and appointments.

Confiscatory taxes that aim at the roots of our individual enterprise system, spend and consume what generations have built and accumulated. Heavy death duties and highly progressive business and income taxes tend to consume productive capital. It is true, such taxes do not destroy the real capital – factories and equipment – but they consume the liquid cash the heirs must raise in order to satisfy tax claims. In expectation of his demise, a successful businessman may sell out to his competitors in order to prepare his estate with readily marketable securities, such as U.S. Treasury bonds. The confiscatory death tax thus eliminates many independent enterprises and promotes growth of giant corporations.

To Equalize Incomes

Our present tax structure openly aims at greater equalization of income and wealth through tax rate progression. However, this must not be understood to mean

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that the system relieves the lowest income brackets from a proportional share of the tax burden. On the contrary, it has been proven by a number of able writers that even the poorest people pay a higher percentage of their income in indirect taxes than does the class with the greatest number of taxpayers.

F. A. Hayek, eminent Austrian economist, found that "it was not the poorest but the most numerous and therefore politically most powerful classes which were left off relatively lightly, while not only those above them but also those below them were burdened more heavily – approximately in proportion to their smaller political strength."

Taxation is no simple government matter. It presents problems of shifting, diffusion, and incidence, the difficulties of which challenge even the ablest economist. Every tax sets into operation a chain of reactions that affect industrial production, wages, income, employment, standard of living, mode of living, and so on. Most legislators probably are unaware of the numerous economic effects of the taxes imposed.

They may be unaware that the steep graduation of the income tax accomplishes the very opposite of what it was meant to do. It perpetuates economic and social inequalities and thereby creates a rigid class structure that divides society. The expropriation of high incomes effectively prevents formation of capital and wealth that facilitate individual improvement. How can an able newcomer from the wrong side of town rise to economic and social eminence if his "excess income" is expropriated at every turn of success? How can he challenge the business establishment with its hereditary wealth and position if he is prevented from accumulating the necessary capital?

On the other hand, old businesses can relax, turn inefficient and bureaucratic because newcomers with excess profits are prevented by confiscatory taxation from ever challenging the establishment. It is true, the tax progression prevents the rich from growing richer; but it also protects them from the threats of competition by ambitious and able newcomers. Thus the rich stay rich, and the poor stay poor, which gives birth to economic and social classes. Instead of individual effort and productivity, the coincidence of birth and inheritance becomes the main economic determinant for most individuals.

To Fight Inflation

The tax objective that has been very much in the news through-

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out the 1960's is the cure of inflation. Taxes are raised or reduced depending on the rate of inflation. Surtaxes are imposed and tax credits for equipment purchases are repealed because inflation is said to require the tax boost.

The rationale of this taxation is based on the popular, although erroneous, notion of inflation. According to this view, rising prices are inflation. Prices are pushed up by profit-seeking businessmen and labor unions seeking unreasonable wage increases. In order to reduce their purchasing power, which is reflected in an ever-rising demand for production equipment by business and for consumers' goods by labor, the Federal government aims to check this demand through higher taxes.

Unfortunately, such tax levies cannot alleviate inflation, but may actually make matters worse, because they do not attack the root of the inflation problem. The futility of taxation as an inflation remedy becomes apparent as soon as we accurately define inflation. If we bear in mind that inflation actually is the creation of new money by government, we clearly perceive the futility of trying to cure inflation by new tax levies which merely shift more purchasing power from the people to the government. Taxes do not halt the printing presses; only the President and his monetary authorities can halt them.

If the monetary authorities continue to print money or create credit, no tax, no matter how high, can prevent the effects of inflation, such as rising prices and wages. It is true, rising taxes may cause havoc and ruin for taxpayers, but they do not necessarily slow down the government money presses. It is even conceivable that profits and interest might be completely expropriated – which, of course, would precipitate economic stagnation and chaos – and yet inflation could continue to ravage the country. After all, one does not preclude the other. In fact, the policies complement one another as they extract income and wealth from the people.

Taxation and Inflation Twins

Taxation and inflation are twin burdens imposed by government. A given administration may resort to inflation because taxation is unpopular; and the next administration may choose to tax because inflation is unpopular. But both measures further reduce the people's income and wealth. Inflation reduces the people's real income through higher prices. Fixed income receivers and owners of money or claims to money have their real purchasing power reduced in proportion as the govern-

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ment gains through money creation and deficit spending. Though the following administration may resort to higher taxation, it does not thereby reduce the money supply created by its predecessor. So, prices stay high even though the money presses may be silent for a while. The new tax levies on business tend to reduce capital investment and economic output. And this lower output in turn raises prices even higher. Both inflation and taxation thus raise prices and reduce disposable real income while boosting government revenue.

It is true, if the surtax revenue were applied toward reduction of the money supply, prices would tend to decline. The inflation would be followed by a deflation with all its disastrous consequences. But the burdensomeness of government would not be reduced by the shift in policy. The people, instead, would face three blows of government finance: inflation, taxation, and deflation. Can a free economy survive such an assault?

Inflation – the creation of new money – can be halted without delay. Its inevitable effects gradually spread throughout the system and run their course. Prices may continue to rise many months after the new money was first created. After all, economic adjustments take time. During this period of readjustment which presents great difficulties to business, a wise administration would *reduce* its tax burden rather than raise it.

Taxes Should be Neutral

In a free society the cost of government should be small compared with national income. Nevertheless, government must resort to taxation in order to cover its expenditures. But this taxation should not intentionally divert the economy from production chosen and directed by millions of consumers. Taxes should be neutral.

A neutral tax would merely take a part of every citizen's income for public expenditure without aiming at regulating or changing the economic actions of people. In particular, it would not hamper economic freedom and would not promote government enterprises with taxpayers' money. In fact, government would terminate its ownership or operation of business-type activities for which there is no specific constitutional authorization, returning such properties through competitive bidding to individuals and private business organizations.

Such a withdrawal of the Federal government from activities that by tradition and constitution were left to the individual would

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instantly reduce the need for tax revenues. For instance the Federal government owns 32.3 per cent of the total land and water area of the United States. More than 700 Federal departments, agencies, and subagencies carry on business-type activities, such as loans, grants, research, propaganda, news and advisory services, transportation, communications, construction, management of land and other resources, generation and transmission and distribution of power, and so on. If all this bureaucratic activity were liquidated and the vast assets sold to the people, a great many tax problems would vanish. In the hands of taxpayers this property not only would yield tax revenues instead of consuming them but also would be made productive in the service of human needs and wants.

Such a fiscal reform would revitalize the ideals and principles that made this nation great; it would permit reduction of many taxes and the abolition of those most damaging to the economy.

Welfare Through Tax Reductions

Substantial reduction of estate and income taxation would give new life to private charity and voluntary social action. There can be no doubt that many contemporary evils, such as persistent poverty, chronic unemployment, lack of education and training, slums and crime, have grown to such frightening proportions because confiscatory taxes have crippled private charity and voluntary social action. The Federal government now faces intolerable conditions and loud demands for their solution because it has nearly preempted social welfare through its tax policy. When almost 40 per cent of personal and corporate income is consumed by various levels of government, there is little left for private charity and voluntary social action.

The Federal government alone cannot solve the burning economic and social problems of our time, but it could help to revitalize private effort by removing or liberalizing its limits on the deductibility of charitable contributions.

To encourage independent action toward desirable social objectives, the Federal government must, above all, cease to discriminate against the very individuals it aims to benefit. The aged, for instance, whose well-being is a primary concern of contemporary government, now lose their Social Security benefits if they should continue to earn certain wages. Why not halt this discrimination and permit them to work freely for their own support and betterment? If retired workers con-

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tribute their efforts and talents to charitable endeavors, why shouldn't such contributions be treated as "gifts" by the tax code?

Economic development is said to be an important objective of the Federal government. Yet, such development by individuals – whatever is built and created – is immediately subjected to taxation by all levels of government. A wiser tax policy would seek to reward individual effort rather than penalize it. Tax credits might help to spark business development in depressed areas. To provide employment for educationally and culturally handicapped workers, the minimum wage legislation could be revised in ways that would permit employers to hire and train them.

If education is seriously considered a governmental responsibility, why not adopt tax policies that would encourage rather than discourage private efforts to that end?

If slum clearance and urban renewal are desirable, why not encourage private enterprise to help, through tax incentives rather than penalties?

A wise tax policy need not impose ever higher taxes but might, instead, give recognition to individual effort and achievement toward the realization of welfare objectives. Above all, care should be taken not to cause the very evils the intervention is meant to alleviate.

Of course, such tax policy would not be neutral. It would still reflect government planning and directing along welfare state lines. But it might be a hopeful initial step on the road back toward self-reliance and universally lower taxation. ◈

IDEAS ON LIBERTY ***Proportional Taxation***

STRAIGHT PROPORTIONAL TAXATION is the only practical and definite arithmetic principle of direct taxation that there is between the principles of (a) everybody paying the same amount of tax and (b) income equalization, that is, taxation, coupled with subsidy, which results in everyone having the same income *after* the tax and subsidy.

BRADFORD B. SMITH, *Liberty and Taxes*

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Beyond the Law

THESE are days in which the once vigorous confidence of men in the principles of the secular society is wearing thin. The "liberty" so ardently proclaimed by the eighteenth-century *philosophes* has become a limp banner miscellaneously stained by partisan spokesmen. Its purposes are so narrowly conventionalized that about all that remains of its splendor is a rhetorical ring. The ideal of fraternity, while still cherished by many men, exercises no noticeable restraint on the application of technological skills to military slaughter. And the unquiet desperation of urban riots and student protests gives voice to denunciations of the inequality in ordered social relationships.

What has gone wrong? No man of humane intelligence is ready to abandon the great conceptions by which the secular society was shaped. The ideals of liberty, equality, and fraternity still rule in all thinking about social ethics, but now we praise and declare them in a mood of despair instead of high expectation. The social systems constructed to embody these principles have turned against them in so many devious ways that the best efforts of men to serve them often lead to new falsifications. Have we made some mistake so deep lying that it universalizes its disorder in whatever we do? Can we identify that mistake without permitting our analysis to degrade into some form of hackneyed political criticism? This will be difficult to do in an age when thought can attract no wide attention unless it is politically partisan.

Now it may be right here, in this insistence on political application, that our basic trouble lies. For the passion for law-making and political system-building re-

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sults, sooner or later, in the establishment of certain popular fictions about man and his life in society. These fictions are held to be socially necessary, and therefore pragmatically true. Quite possibly these fictions, and not the ideals of the secular society, are what is breaking down.

Take for example the foundation secular principle of the separation of church and state. The virtues of this separation are self-evident. From any impartial point of view the defenders of separation are unmistakably right in their contentions. How do we know they are right? They are right because the historical record of theocracy can be shown to be filled with intolerable tyrannies. No argument.

But it does not follow from this empirical support of secularism and separation of church and state that religious thought has no importance or will not continue. Practical secularists know this, of course. They simply argue for freedom of religion, contending that religious activity should never lead to sectarian control in public affairs.

Practical difficulties remain. Moral philosophy and religious teachings overlap. Political systems claim a moral ground. The very ideas of liberty, equality, and fraternity spring from ethical inspiration. Even atheism, as Paul Tillich pointed out, has a religious aspect, and the United States Supreme Court, in a recent decision affecting conscientious objectors, declared that free-thinking philosophical convictions must be regarded as having the same standing before the law as "religious training and belief." Meanwhile, dozens of writers have drawn attention to the parallels between authoritarian political states and the rule of theocratic empires in the past.

Secular Solutions Fail

What then does the secular state attempt? In practice, it endeavors to prevent the religious acquisition of political power or coercive authority, and to foster, as well as it can, a generalized morality which derives its authority from reason and its sanctions from non-theological rules.

In itself, this arrangement may be said to be "ideal," so far as lawmakers are concerned. But the question which must be asked is whether the assumption that essential human problems can all be settled by law is a creeping delusion that comes to dominate the thinking of secular lawmakers. The obsessive concern with ideology and the insistence on political action as the only important means for improving the human condi-

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tion are evidence of one of the fictions we spoke about earlier – the assumption that final human good can be defined in political terms. *Any* definition concerned with final good requires the postulates of religion or of religious philosophy. So, from this assumption by secularists, schism is built into the secular society.

The Role of the State

What, actually, is the secular state? It is an ordering social institution which declares its neutrality on all questions not directly concerned with the public safety and the general welfare. It will not interfere with the lives and opinions of men, save in behalf of these practical ends. Many of the principles of the secular state are found in a passage in John Stuart Mill's essay on Liberty. He wrote:

> The object of this essay is to assert one very simple principle, as entitled to govern absolutely the dealings of society with the individual in the way of compulsion or control, whether the means used be physical force in the form of legal penalties, or the moral coercion of public opinion. That principle is that the sole end for which mankind are warranted individually or collectively in interfering with the liberty of action of any of their number is self-protection; that the only purpose for which power can rightfully be exercised over any member of a civilized community against his will is to prevent harm to others. His own good, either physical or moral, is not a sufficient warrant. He cannot be rightfully compelled to do or forbear because it will be better for him to do so, because it will make him happier, because in the opinions of others to do so would be wise or even right. These are good reasons for remonstrating with him, or reasoning with him, or persuading him, or entreating him, but not for compelling him, or visiting him with any evil in case he do otherwise. To justify that, the conduct from which it is desired to deter him must be calculated to produce evil to someone else. The only part of the conduct of any one for which he is amenable to society is that which concerns others. In the part which merely concerns himself his independence is of right, absolute. Over himself, over his own mind and body, the individual is sovereign.

This is a view which, by reason of its crucial moral derivation, we dare not give up, but it is also a view, by reason of many practical failures, we are now obliged to look at very closely – or, rather, from a stance different from the one which gives it emotional but uncritical support. It is easy to assent to Mill's principles on intuitive grounds; why, then, do they work so poorly?

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Minimizing the Error

In a world inhabited by imperfect men, some failure, no doubt, is inevitable. The question is, would less failure become possible if we reformulated the problem?

For example, the context of the discussion is the political issue of the state's right to coerce. Mr. Mill would limit that right. What is the intent of social control? The securing of behavior that is socially tolerable or acceptable. What is the principle of limit to control? The intuitively given importance of individual liberty.

Now liberty is really an incommensurable value which always has its wings clipped by definition. If we actually knew all that liberty or freedom implies for human beings we would be so wise that we would have no social problems at all. Politics, however, as we say, is a practical matter, so, for the purposes of social arrangements, we give a pragmatic, working meaning to liberty and make our laws.

But the transcendental content of freedom is neither contained nor exhausted by such political limitations and securities. There are other ways of considering its meaning.

The role of the State, practically speaking, is control. At best it is traffic-management and channeling. But there are other institutions – schools, for example – whose role is almost opposite. Schools are intended to *liberate* human beings – that is, unfold their capacities in ways that will enable them to taste the possibilities of freedom more extensively. Schools also teach the disciplines of mutuality, of cooperation and sharing. A human being, enlarged and matured by education, has more freedom than an ignorant man because he is able to avail himself of many more potentialities of action, much wider ranges of choice in the exercise of his powers.

Precision Without Coercion

In education, there is also a principle of necessary order, but it is not coercive. For the student, discovery of the use of limits gives precision to his knowledge. So, in the context of education, the import of the question of freedom versus order is radically changed. Managing the subtle balances between these two principles is the essential process of growing into maturity, and education is the collaborative art which helps individuals to learn this management for themselves, so that they eventually become independently good at it – which is to be *free*.

Coercion plays absolutely no part in education; it appears only when there is some perversion or

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breakdown in the process of education. This hardly needs argument.

The natural teacher never imposes arbitrary limits on his students. A reasonable limit gains personal adoption by the students. The teacher may intimate the necessity of limits, but he does not impose them. Any course of study will require some boundaries, in order to achieve a focus, but education does not begin until the student sees the function of the boundaries and begins to decide for himself when to stay within them and when to go beyond them. An arbitrary limit accepted by the student would not give him a genuine form to work in – but only a pseudo-form, a context of indoctrination. Some day, if he has spirit and intelligence, he will abandon that form as a barrier to his growth.

All this is elementary. We know it from our intuitions about human growth and our experience in education and in human relations. But putting this knowledge to work in teaching involves endless delicacies, gentle encouragement, patience, and severe regulation of one's bursting eagerness to help people along.

All this is elementary, absolutely certain in respect to human development, yet it has nothing to do with coercion, nothing to do with politics, nothing to do with well-considered organization for opposing or controlling tyranny. But it has everything to do with what we call the good society. Unless these educational realities form the foundation of social life in individual relationships, there cannot be a good society. This, too, is elementary.

The Primary Sources of Goodness

Here, then, is the focal trouble with John Stuart Mill's essay on Liberty. It ignores the primary sources of goodness in human life and concentrates on the secondary considerations of political forms. Most of modern thought similarly concentrates on secondary considerations. And that is why the "ideal" political forms, logically described and brilliantly defended, produce so many terrible dilemmas. Our exhaustive deliberations concerning these forms neglect the all-important fact that every political system – good, bad, indifferent – floats in a sea of primary human relations which coercion can never order or get at, except smotheringly and destructively. Political thinking by-passes the very springs of all the primary good in human life. Then, when we experience so much pain from political failure, we conclude that we must remedy our politics with a better system, when the fact

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is that our real difficulties are not political at all. The trouble originates in our lack of attention to the uncoercive disciplines.

It is difficult to obtain agreement for this view because there is so much pain generated by politics. But to accept political diagnoses for the pain is to accept a static, depressed estimate of all men. It is to reject the idea of *human* progress, as distinguished from the external forms of social or political progress. Today, at last, we may be in a position to recognize this mistake, simply because recent history has proved how little we really know about the meaning of progress.

Freedom and Order?

It is of course a cliché of do-nothing passivity to claim that education is the alternative to political activism. But a basic complaint of all political critics of modern society is that our education is no good, either. And it is certainly a fact that modern Western education has been the chief agency for creating faith in the fiction that politics will solve all our problems. Only an education independent of ideological fictions can serve our need.

But the need for social controls is *real,* isn't it? Of course. In political dialogue, you do not argue this question unless you are an anarchist. The crucial point, however, is that the problem of coercive control is always allowed to absorb our energies *too soon.* And when this happens in education, it is always fatal. The teacher who jumps to control of his students, interrupting tentative efforts of their own at self-limitation, becomes an anti-human force, a destroyer of education. He is abolishing or limiting freedom when he doesn't *need* to. You could say of such a teacher that he has been infected by the political approach to life, obsessed by the last-ditch necessities of coercion. He may not know any better. But he makes the invasions of political control more and more likely, and perhaps "necessary," with every interference with the self-discovery and self-control of his students. Every act of arbitrary control in education is a self-fulfilling prophecy of human defeat, generating the necessities of future coercion.

The problem of freedom and order can never be settled at the level where the cause of true human freedom is *already lost* – the political level. The more you try to establish freedom at that level, the more you fence it in. And the more it is fenced in, the bitterer the disputes of political rivals with one another. How else can things go, when you discuss free-

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dom only in terms of controlling it by coercion?

Critique of Mill by James Fitzjames Stephen

It is interesting to look at a long-neglected criticism of Mr. Mill by one of his contemporaries. We have for review James Fitzjames Stephen's *Liberty, Equality, Fraternity,* first published in 1874 and now reissued, with R. J. White as editor, by the Cambridge University Press (1967, $7.50). According to the jacket:

> Stephen's work is written as a systematic denunciation of John Stuart Mill's political thought. It is thus of great importance in the history of Utilitarianism, and also as the most forthright and systematic of the Victorian attacks on Democracy. Against Mill's hopes for an educated populace, Stephen insists on the prime need for coercion. He denounces Mill's concept of Liberty as destructive of the social order and denies that the concept of justice has any necessary connection with the ideal of social equality.

This introduction is enough to make you wonder if Stephen is worth reading at all. But the fact is that his arguments are brilliant, and even persuasive, since he attacks Mill with all the realities of social experience which contradict the fiction that social control through secular political power is sufficient to solve human problems. In one place Stephen says:

> I believe it to be simply impossible that legislation should be really neutral as to any religion which is professed by any large number of the persons legislated for. He that is not for such a religion is against it. Real neutrality is possible only with regard to forms of religion which are not professed at all by the subjects of legislation, or which are professed by so few of them that their opinions can be regarded as unimportant by the rest. English legislation in England is neutral as to Mahommedanism and Brahmanism. English legislation in India proceeds on the assumption that both are false. If it did not, it would have to be founded on the Koran or the Institutes of Manu. If this is so, it is practically certain that coercion will be exercised in favour of some religious opinions and against others, and the question whether such coercion is good or bad will depend upon the view of religion which is taken by different people.

A little later Mr. Stephen considers what the secular authority must say to a religion claiming divine authority for its teachings:

> Your creed is, no doubt, divine, and you are the agents of God for the purpose of teaching it, but liberty of opinion is also more or less divine, and the civil ruler has his own rights and duties as well as the

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successors of the Apostles. But, convenient as this is, it is a mere compromise. The theory is untrue, and no one really believes more than that half of it which suits him. If spiritual means that which relates to thought and feeling, every act of life is spiritual, for in every act there is a mental element which gives it its moral character. If temporal means outward and visible, then every act is temporal, for every thought and feeling tends toward and is embodied in action. In fact every human action is both temporal and spiritual. The attempt to distinguish between temporal and spiritual, between Church and State, is like the attempt to distinguish between substance and form. Formless matter or unsubstantial form are expressions which have no meaning, and in the same way things temporal and things spiritual presuppose and run into each other at every point. Human life is one and indivisible, and is or ought to be regulated by one set of principles and not by a multitude.

What a pity this was not said by Mr. Mill instead of Mr. Stephen! If Mill had said it, it would have been a solid brief for the cultivation of those pre-political virtues on which all good politics must depend – for the evolution by individuals of those self-regulated forms of free action which solve the problem of content and form, of freedom and order, before its contradictions and failures reach the morally blind jurisdiction of the body politic. For that unity of being, that balance between spirit and matter, cannot really be achieved at the political level except by the coercion and control of the thoughtless majority by the wise minority in which Mr. Stephen believes. In short, we cannot ever use in freedom, fraternity and equality the truth Mr. Stephen declares, without *taking it out of his hands as a legislator.*

For he is, after all, determined to coerce. As he says:

> The real difference between Mr. Mill's doctrine and mine is this. We agree that the minority are wise and the majority foolish, but Mr. Mill denies that the wise minority are ever justified in coercing the foolish majority for their own good, whereas I affirm that under circumstances they may be justified in doing so.

And, alas, Mr. Stephen has the evidence of immoral and unprincipled history on his side. Whatever the political ideals declared, minorities do work their way to partisan control, and the only value a constitution and the rule of a secular state can show for their claims is in serving as a not too efficient *brake* on this tendency.

Mr. Mill is really defending an educational principle, but at the

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political level. No coercion is a rule in teaching. But he presses this principle into service in an area of life where coercion gets all its working definitions -- where, inevitably, his principle withers and dies. That principle can grow strong only in the circumstances of unqualified hospitality to freedom; and it will grow strong, also, only under deliberate, individual self-development by human beings. A people in whom the discipline of freedom is strong enough can overcome the rule of coercion, but only by *not needing it*. This is not an ideological consideration.

Mr. Stephen, in turn, is really misapplying the philosophic content of "whole-man" education, bending its radical and unbreakable unities into an argument to defend coercion at the political level. This is an abuse of reason.

Neither in theory nor in practice can either view succeed.

Lawmakers will of course go on making laws, and anarchists will of course go on opposing them, while the failure of existing laws will continue to create demands for greater legislative severity. There is no way to prevent these monotonies of history. What can be done, however, by those who understand such difficulties, is to give all their efforts to the resolution of dilemmas of freedom and order within the unity of individual human beings, knowing full well that when these dilemmas extrapolate to politics, there can never be anything more than bumbling, faulty, expedient, and finally very cruel ways of meeting the problems they create. The fiction that politics can deal with these problems is doubtless the greatest delusion of our age.

This is not to suggest that the making of good laws has no importance. But it seems obvious that *wise* laws can be made only by men intelligent enough to see that no people on earth can be legislated to either individual or collective salvation; that laws cannot direct the creative potentialities of human life; that coercion dare not intrude upon the *becoming* of good men, which is a process entirely separate from the control and prevention of bad behavior.

There is hardly a humanist jurisprudence, although there can be humanist *influence* on jurisprudence. The issue turns, quite simply, on faith in man, on understanding how he grows and becomes better and wiser, and on recognizing the transcendent importance of giving growth a higher priority than control. ◈

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TREATY-RELIANCE a DISEASE

IF, as President Richard Nixon has said, the Era of Confrontation is giving way to the Era of Negotiation, it would seem to follow that we are in for a period of treaty making. The conventional wisdom is that treaties are highly desirable. But Laurence W. Beilenson, a Los Angeles lawyer who was a U.S. liaison officer with the Chinese army in World War II, thinks that "treaty-reliance" is a "disease." In an elaborate study called *The Treaty Trap: A History of the Performance of Political Treaties by the United States and European Nations* (Public Affairs Press, $7.00), Mr. Beilenson proves that the "paper chains" of treaties between sovereign nations have never succeeded in holding "against interest." The "bad guys" (Kaiser Wilhelm, Joseph Stalin, Adolf Hitler) have cynically regarded treaties as "scraps of paper." But the "good guys" (democratically elected governments) have had just as lamentable a record of performance – or maybe we should say nonperformance.

Some statesmen, of course, have been more hypocritical than others. The least hypocritical ruler was Joe Stalin, who wrote in 1913 that "a diplomat's words *must* contradict his deeds – otherwise what sort of a diplomat is he? Words are one thing – deeds something entirely different. Fine words are a mask to cover shady deeds. A sincere diplomat is like dry water or wooden iron."

Since we are apparently about to enter into some sort of nuclear treaty with the Soviet Union, the most immediately relevant chapter in Mr. Beilenson's book is the one which details the record of the Bolsheviks as members of the "diplomatic club." The communists began by repudiating both the debts and the treaties made by the Czars and the Kerensky regime, although they subsequently

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claimed the benefits of the older Russian treaties. In the first important Bolshevik treaty, that of Brest-Litovsk, Lenin promised the Germans that his government would engage in no agitation against the German State. But the minute the Soviets had opened an embassy in Berlin they began to carry on subversion, dispensing "grossly underestimated" sums of money to provoke a Bolshevik revolution inside Germany. "Yes, of course, we are violating the treaty," said Lenin, "we have violated it thirty or forty times. . . . Napoleon hunted the Germans for violating the [Tilsit] peace treaty, and the present [Napoleon] will hunt us for the same reason. Only we shall take care that he does not catch us soon."

The 1933 U.S.-U.S.S.R. treaty of recognition included antisubversion promises. So did Soviet treaties with Estonia, Lithuania, Latvia, Iran, Italy, France, Japan, and other nations. Meanwhile the Comintern, the Soviet trade missions, the various Russian embassies and the local communist parties, all went about the business of "subversion as usual." Even during World War II, when it was to Stalin's interest to keep on good terms with his Western allies, there was a history of Soviet treaty breeches. Despite the promise to England to render "assistance . . . of all kinds," the Soviets refused the use of their airfields to enable the British to drop arms and food to the Polish Home Army in Warsaw in 1944. At Yalta Stalin promised to apply the "principle of the Atlantic Charter" – i.e., the right of free elections – to East European nations. But the Yalta document was systematically violated from the start. It was perfidious of the Soviets to make their deal with Hitler to carve up Poland in 1939. But here Stalin trapped himself; he trusted Hitler to keep his bargain. It was the only known instance of Stalin's succumbing to the "disease of treaty-reliance."

A Tradition of Broken Treaties

In the matter of "breeches of treaties not to subvert," says Mr. Beilenson, the Soviets have "made a new high." But in other types of breech the U.S.S.R. has merely emulated the West. The ancient Greeks were chronic treaty breakers. After years of exhausting war Athens and Sparta and their respective allies swore in the Treaty of Nicias to refrain "for fifty years" from bellicose activities including "fraud or damage by land or sea." What followed was "seven years of cold war" in which neither Athens nor Sparta gave back the territories they had promised to return. After seven years of sub-

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version Athens and Sparta were at each others' throats once more. It did not matter that Athens was a democracy and Sparta a tyranny; both city states violated their agreement from the day it was signed.

If one may make a generalization based on Mr. Beilenson's evidence, the most peaceful periods in the world's history have been those in which the fewest treaties have been negotiated. Louis XIV of France was always forging new "paper chains" and breaking them at his convenience. Despite his own perfidies, Louis XIV suffered from the "disease of treaty-reliance," says Mr. Beilenson; "it would be tiresome to recount all the promises for which Louis paid Charles II of England, which Charles regularly broke." In the "Humpty Dumpty period" of the eighteenth century Charles VI of Austria, who had no sons, entered a whole series of treaties designed to protect the lands he was leaving to his beautiful daughter, Maria Theresa. He gave up trade advantages and territory to guarantee the "Pragmatic Sanction" that was to defend the "female heirs of the House of Austria. But if Maria Theresa hadn't been a woman of mettle she would have been done in by her "guarantors," including the Prussian "monster," Frederick the Great, who made a grab for Austrian Silesia the moment that Charles VI died. Maria Theresa "turned to those from whom she had no promises," and they saved her for reasons of "sentiment and interest," which proved "more dependable than treaties."

Peace Without Treaties

Comparatively few treaties were signed during the nineteenth century, which Mr. Beilenson calls "the peaceful century." The U.S. behaved badly toward its French ally in the years after Yorktown, when John Jay "purposely deceived France" in his efforts to reach a satisfactory peace agreement with Britain. But thereafter the U.S. kept relatively clear of "paper chains" for more than a hundred and forty years. We did break our word to Colombia when President Theodore Roosevelt used a U.S. cruiser to prevent Colombian troops from interfering with the Panamanian revolution. This particular treaty breech was in our "interest," for it gave us the Panama Canal. We owned up to our own duplicity when we paid Colombia $25 million in 1922 in settlement of Colombia's claims.

Since we refused to sign the Versailles Treaty, we weren't party of acquiescing in many of the treaty breeches of the twenties and the thirties. But the Kellogg-Briand Pact did link us in a gen-

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eral way to the "Versailles system." "The paper structure" of those years, says Mr. Beilenson, "was the strongest ever erected." But, despite the "paper chains," the Japanese invaded Manchuria, the Germans rearmed secretly, the Italians seized Ethiopia, the British let the Germans build submarines in violation of the naval clauses of Versailles, and nobody bothered to stop Hitler when, in defiance of treaty obligations, he invaded the Rhine demilitarized zone in 1936.

The moral of the tale is to sign treaties "selectively, sparingly, and cautiously." And when you do sign them, be skeptical of their value; even "inspectors," watching for breeches of arms limitation guarantees, can be bribed. Above all, be wary of electing rulers who are prone to attacks of the "disease of treaty-reliance." Even Stalin got caught in that particular trap. ◈

▸ ENEMIES OF THE PERMANENT THINGS by Russell Kirk (New Rochelle, N. Y.: Arlington House, 1969, 311 pp.) $7.00.

Reviewed by Robert M. Thornton

THE TONE of this Kirk miscellany is more positive than the title indicates; the accent is on such friends of the permanent things as T. S. Eliot, Max Picard, Ray Bradbury, George Orwell, C. S. Lewis, and Eric Voegelin. Intelligent commentary on the work of such men is cheerful reading for those who are tired of being told over and over again that this is an age of change, and that we must adapt to the new. Of course things change – sometimes for the better, but often for the worse. It is absurd, therefore, to discard tested ways of doing things – religious beliefs, moral codes, customs and manners – simply because they are old. Age, as a matter of fact, counts in their favor, indicating that the belief or practice has survival value.

Kirk argues persuasively against the modern inclination toward the abnormal in art, literature, and politics, and against the new style men "who think in slogans and talk in bullets," the "terrible simplifiers" who "reduce politics to catch-phrases; . . . who promise social, rather than personal, salvation." "A norm," he explains, "means an enduring standard. It is a law of nature, which we ignore at our peril. It is a rule of human conduct and a measure of public virtue."

Happily, the agony of our time is producing books that point the way ahead, and this is one of them. ◈

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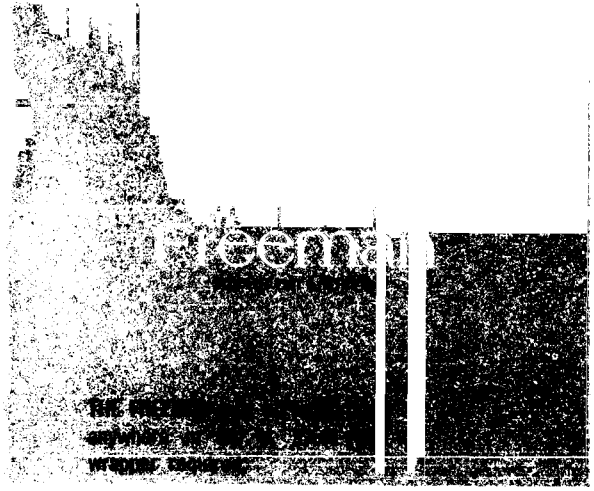

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